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No. 1742



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WEST EUROPE REPORT

No. 1742

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THEATER FORCES NETHERLANDS

COMMENTATOR SEES USSR'S SS-20 MISSILE AS NO THREAT

Rotterdam HET VRIJE VOLK in Dutch 28 Mar 81 p 4

[Commentary: "Is the SS-20 Missile Really so Modern?"]

[Text] Is the Soviet SS-20 missile really as accurate a system as is claimed, or are the dangerous characteristics of the missile primarily an argument to induce the NATO partners to install 572 medium range missiles in Europe? The lethal accuracy of fire of the Soviet SS-20 missile couldn't be described glaringly enough earlier on. NATO Secretary General Joseph Luns claimed that the multiple nuclear warheads of the SS-20 encompassed 20 times the destructive capacity of the atom bomb used on Hiroshima.

The chancelor of the FRG was the one who officially announced that a Soviet SS-20 had three atomic warheads and was able to strike its target with great accuracy. With a deviation of only 100 to 200 meters, according to papers such as the FRANKFURTER ALLGEMEINE and the Springer press. With such a high degree of accuracy the Soviet Union could eliminate all sorts of nerve centers at one swoop during an attack. In the American paper WASHINGTON POST, a CIA official recently leaked out that the SS-20 really wasn't entirely a Soviet weapon. As a two-stage missile, it had been derived from the SS-16, a three-stage missile.

Other arms experts had also been calculating that the development of the Soviet medium range missile was initiated only after the Soviets had felt threatened when China had become a nuclear power.

That would fall in with the data which the NEW YORK TIMES published recently on the 160 SS-20 launching sites in place. Most missiles are not aimed at Western Europe but at China and are located along the borders of that country, according to the NEW YORK TIMES.

In the publication MILITARY BALANCE of the Institute of Strategic Studies (ISS) in London it was recently calculated that the SS-20 would have to have a gigantic carrying capacity if this missile were to transport more than one nuclear warhead simultaneously. On the basis of the high degree of accuracy of the missile, at least a ton of additional electronic apparatus would have to be carried along for three nuclear warheads. From the calculations of the ISS it appears that the SS-20 can take along at most 500 kilograms or so.

1

The American trade journal ROCKETS AND MISSILES grants the Soviet SS-20 a firing accuracy of 750 meters. That is fairly accurate but not accurate enough really to eliminate all Western nerve centers with it at one swoop.

Conclusion for the time being from all those recent publications: the SS-20 does exist, but the Soviet Union probably has developed it only for the short range defensive as a defense weapon against China.

8700 CSO: 3105/128 ESSENTIAL PAST, FUTURE DATA ON ELECTRIC POWER INDUSTRY

Essen/Frankfurt/Main WAERME 2000 in German Aug 80 pp 1-21

[Text] Introduction

WAERME 2000 is a contribution from the German electric power industry to the current energy discussion in which we are primarily concerned with obtaining a long-term secured energy supply for West Germany.

This is a discussion which is decisively fashioned by the necessity of reducing our dependence on petroleum, which is getting to be increasingly in short supply and which is becoming more and more expensive. Efforts to reduce this dependence will have to be concentrated on the area of heat supply and will create higher requirements for all energy sources that constitute an alternative to oil.

That also applies to electric current. The electric power supply enterprises submit the following results not for the purpose of conducting a sales campaign or establishing energy-policy demands. But in view of their responsibility for the future they consider it necessary to inform the public as to the possibilities and prerequisites of replacing oil with current in heat supply.

In this connection, one of the basic assumptions of this investigation—to the effect that, by the turn of the century, the West German national economy might still have three—quarters of the presently required mineral oil volume available—might soon turn out to be much too optimistic in view of the imponderables of world—wide energy—policy events.

This report presents an average approach as far as the FRG is concerned. It was impossible to consider regional peculiarities.

I. A Look into the Energy Future

The FRG gets more than 65 percent of its energy from abroad. When it comes to mineral oil, it must even import as much as 96 percent (Figure 1). Here is what that means: West Germany's energy supply is inseparably connected with the worldwide energy situation.

The Findings of the Experts

In 1978, experts at the world energy conference published a study in which they compared the global energy requirements and ways of meeting it until the year 2020. Here are the most important results of that study.

Developing Countries Catching Up

The developing countries have a tremendous need for catching up. In the year 2020 they will use eight times more energy than today and their share out of the world-wide energy consumption will rise from a present figure of 15 percent to 40 percent in spite of considerable measures aimed at economical and efficient energy use, in other words, they will reveal a three-fold increase (Figure 2). Accordingly, the Western industrial countries will have to pare their consumption down from 57 percent today to 27 percent of the world's energy consumption in the year 2020.

Gap between Supply and Demand

The world's countries today are having trouble when it comes to controlling their energy consumption. The supply of mineral energy reserves consists of 46 percent coal, 28 percent petroleum, and 26 percent natural gas. When it comes to consumption, on the other hand, petroleum leads with almost 50 percent, followed by coal with 30 percent, and natural gas with 20 percent. Apart from the fact that these mineral energy sources will be exhausted some day, we can say that the on and off mineral with the oil spigots in the Near East also points up the influence of politics on the worldwide energy situation.

We can therefore expect that there will be huge supply gaps if something is not done (Figure 3).

Measures To Meet Demand

The experts at the World Energy Conference therefore urgently request the following measures:

More efficient utilization of existing forms of energy;

Additional energy savings;

Increase in coal mining;

Increased utilization of inexhaustible energy sources such as water, sun, wind, and geothermal heat;

Expansion of nuclear energy.

| inlands-Verb | rauch = 1 195 | | 19 | 60 | | 1970 | and the forms | t (blau) 77 |
|--------------------------|------------------|---------------------|----|----------------------|---|---------------------|---------------|----------------------|
| 3 Min eral ŏle | 0 | 74.6 25,4 | 0 | 82.0 18.0 | • | 93.9 6,1 | • | 95.9 4, 1 |
| Naturgase | 0 | 100,0 | 0 | 100,0 | C | 21.2 | | 61.3 38,7 |
| 5 Steinkohle | 0 | 1.4 98,6 | 0 | 6.1 93,9 | C | 11.5 88,5 | 0 | 11.8 88,2 |
| 6 Braunkohle | 0 | 6.8 93,2 | 0 | 13.4 86,6 | C | 5.9 94 ,1 | 0 | 4.3 95,7 |
| 7 Sonstige | 0 | 5.2 94.8 | 0 | 20.0 80, 0 | C | 40.0 60,0 | 0 | 66.3 33 ,7 |
| Gesamt 8 | 0 | 5.9 94 ,1 | 0 | 23.5 76,5 | | 56.4 43,6 | | 65.3 34,7 |

Figure 1. FRG's dependence on energy imports, 1950-1977, in percent. Key: 1--Domestic consumption; 2--Imports (blue); 3--Mineral oils; 4--Natural gases; 5--Hard coal; 6--Brown coal; 7--Miscellaneous; 8--Total.

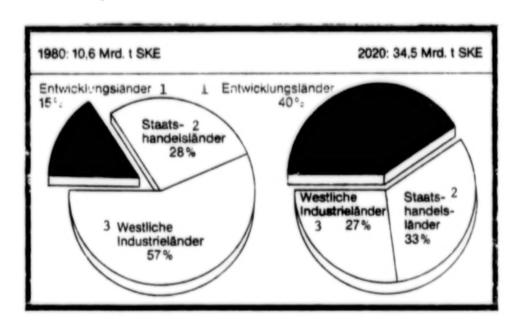


Figure 2. World energy requirement by groups of countries, 1980, 2000, 2020. Key: 1--Developing countries; 2--Countries with government-controlled trade; 3--Western industrial countries; SKE--Hard coal unit; Mrd--billions.

| | | 1) 19 Bedari | 972 2) Gewinnung | 1) 20 Bedarf | 000 2) Gewinnung | 1) 26 Bedari | 020 2) Gewinnung |
|----|--------------------|-----------------|---------------------|-----------------|---------------------|-----------------|---------------------|
| 3) | Erdől | 3,9 | 3,9 | 7,6 | 6,5 | 8,5 | 3,6 |
| 4) | Erdgas | 1,7 | 1,7 | 3,1 | 4,8 | 4,0 | 4,3 |
| 5) | unkonv. Öl/ Gas | - | | -1) | 0.5 | -') | 1.4 |
| 6) | Kohle | 2,3 | 2.3 | 5,9 | 5.1 | 13,8 | 8,8 |
| 7) | Kernenergie | 0,1 | 0,1 | 3,8 | 3,3 | 13,0 | 10.8 |
| 8) | Wasser | 0,3 | 0,3 | 1,2 | 0,8 | 1,9 | 1,9 |
| 9) | Sonstige | 0,9 | 0.9 | 1,9 | 1,0 | 3,9 | 3.4 |
| 0) | Gesamt | | 92 | 23,5 | 120 | | |

) in Erdől und Erdgas enthalten

Grafik 3

Figure 3. Worldwide primary energy requirement and procurement by energy sources, 1972, 2000, 2020, in billions of tons of hard coal equivalent.

Key: 1--Requirements; 2--Extraction; 3--Petroleum; 4--Natural gas; 5--Unconventional oil, gas; 6--Coal; 7--Nuclear energy; 8--Water; 9--Miscellaneous; 10--Total; (1) Contained in petroleum and natural gas.

New Supply Structure

To the extent that they are implemented rapidly and effectively enough, these measures could close the future gap between energy supply and energy demand. Of course, the demand will have to be oriented by the supply. The energy supply structure would then reveal the following development trend (Figure 4):

The share of petroleum out of the world's energy supply will decline steadily;

The share of coal will rise and correspondingly more coal is going to have to be mined:

The share of natural gas will at first rise and will then drop;

The still small share of renewable energies could grow considerably bigger in case the corresponding investments were made;

The share of nuclear energy out of the worldwide energy supply must continue to rise mightily.

| | 1 _{Weit} | 2 Bundes- republik Deutschland | 1 Welt | 2 Bundes- republik Deutschland | 1 _{Weit} | 2 Bundes republik Deutschland |
|------------|-------------------|--------------------------------------|--------|--------------------------------------|-------------------|-------------------------------------|
| Erdői 3 | 43 | 55 | 29 | 25 | 11 | 10 |
| Erdgas 4 | 19 | 9 | 22 | 17 | 12 | 10 |
| Kohle 5 | 24 | 32 | 23 | 30 | 26 | 30 |
| Kemenergie | 1 | 1 | 15 | 20 | 31 | 35 |
| Sonstige | 13 | 3 | 11 | 8 | 20 | 15 |
| | | 1972 | | 2000 | 2020 | |

Figure 4. Tendencies of structural development in primary energy extraction world-wide and primary energy requirements of FRG until 2020 in percent. Key: 1--World-wide; 2--FRG; 3--Petroleum; 4--Natural gas; 5--Coal; 6--Nuclear energy; 7--Miscellaneous.

Interlocking Relationships and Obligations

With a view to the energy future, the 1978 study points up the international interlocking relationships among the industrial nations. It therefore also places a special obligation upon them: they must make sure that the energy reserves will be meaningfully distributed among industrial and developing countries. In contrast to the developing countries, the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have sufficient technical know-how to among the industrial nations have a sufficient technical know-how to among the industrial n

It is especially the FRG which must not shirk this obligation. This is also why the objective of "getting away from oil" is an essential component of the West German government's energy program.

II. West Germany's Real Energy Situation

From the beginning of the sixties until the 1973 oil crisis, economic growth and energy consumption developed parallel. In other words, I percent of growth in one area also signified I percent of growth in the other area. But there is no future any longer for this kind of parallel development.

The requirement now is to facilitate further economic growth with the smallest possible additional consumption of nonrenewable energies. According to the West German government's ideas, the growth rate for morrenewable energy sources in the future is to be only half as much as the growth rate of the GNP (Figure 5). This goal would seem to be attainable only with an extreme effort—if at all.

| | 1977 | 2000 | Increase |
|---|------------|------------|----------|
| GNS in bill. DM (1970 prices) | 809 | 1,600 | 3.0%/yr |
| Primary energy consumption in mill. t SKE | 372 | 535 | 1.6T/yr |
| Including mineral oil all others | 194 178 | 147 388 | |

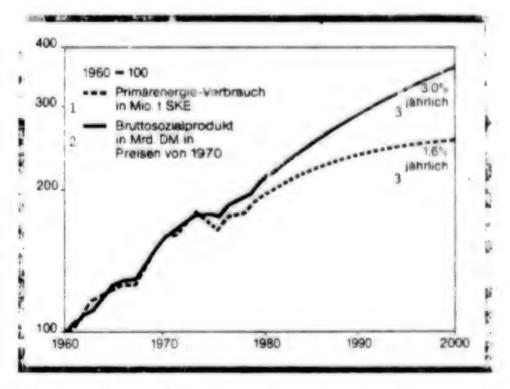


Figure 5. Development of real GNP indexes and primary energy consumption in the FRG until 2000 (*). Key: 1--Primary energy consumption in millions of hard coal equivalent; 2--GNP in hillions of DM at 1970 prices; 3--Annual (*) ce: Community Prognosis on the Second Extension of the Federal Government's y Program, Lower Variant.

| | 21 | 60 1,5 1 SKE | 33 | 70 6.8 1 SKE | 37 | 77 2,3 1 BKE | 5 | 000 35 1 SKE |
|----------------------------|------|--------------------|------|--------------------|------|--------------------|------|--------------------|
| Mineralôle 1 | 21 % | | 53 % | | 52 % | | 27 % | |
| Naturgase 2 | 1% | | 5% | | 15 % | | 17 % | |
| Steinkohle 3 | 60 % | | 29 % | | 18 % | | 22 % | 4 |
| Braunkohle 4 | 14% | 1 | 9 % | | 9% | 1.0 | 8% | 43 |
| Kernenergie | | | 15 | . 9 | 3% | | 22 % | |
| Wasserkraft ¹) | 3% | -5 | 2% | , | 2% | te. | 2% | 49 |
| Sonatige 7 | 1% | 3 | 15 | L | 1% | # | 2 % | L. |
| Mio. L. SKE | | 211.5 | _ | 336.8 | _ | 372.3 | - | 535 |

Figure 6. Development of primary energy requirements by energy sources. Key: 1--Mineral olls; 2--Natural gases; 3--Hard coal; 4--Brown coal; 5--Nuclear energy; 6--Water power (1); 7--Miscellaneous (1) including net electric current imports; Mio--millions.

Why Economic Growth?

In its energy-policy considerations, there is one thing that is certain as far as the West German government is concerned: the economy must keep growing in order:

To guarantee the standard of living,

To avoid social conflicts,

To contribute to the economic development of the Third World and

To be able to attain energy-policy goals.

Energy Savings and "Getting Away from Oil"

It is Second Continuation of the Energy Program of 14 December 1977, the West German government outlined these energy-policy goals as follows:

The energy consumption growth rate must be reduced through economical and efficient energy use;

The ausortment of the energy supply must be broadened in order to reduce the share of sineral oil.

In spite of the oil price explosion and many appeals to savings, mineral oil still accounts for more than 50 percent of the West German energy supply. By the turn of the century however only about three-quarters of the present-day oil volume would seem to be available, that is to say, about 150 million t SKE.

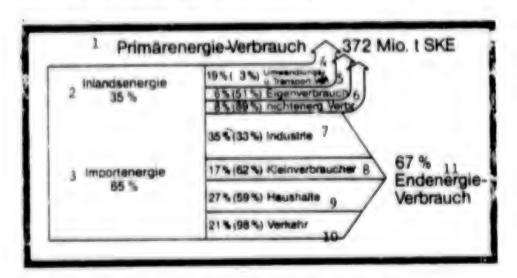


Figure 7. Energy flow in FRG, 1977 (mineral oil share in parentheses).

Key: 1--Primary energy consumption; 2--Domestic energy; 3--Imported energy; 4--Conversion and transportation consumption; 5--In-house [domestic] consumption; 6--Nonenergy consumption; 7--Industry; 8--Small consumers; 9--Households; 10--Transportation; 11--Final energy consumption; Mio--millions.

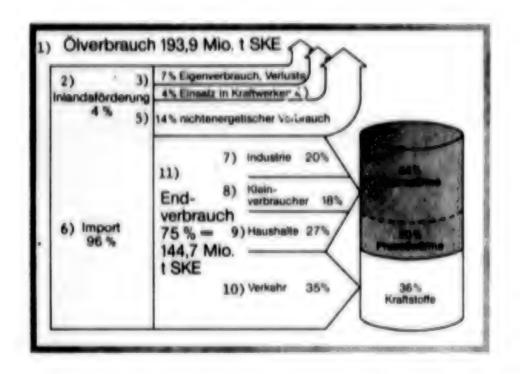


Figure 8. Flow chart for mineral oil consumption in FRG, 1977. Key: 1--0il Consumption; 2--Domestic extraction; 3--In-house [domestic] consumption, losses; 4--Use in power plants; 5--Nonenergy consumption; 6--Imports; 7--Industry; 8--Small consumers; 9--Households; 10--Transportation; 11--Final consumption; 12--Space heat; 13--Process heat; 14--Fuels.

What Comes after 011?

In other words, the energy consumption increase in the future is to be handled exclusively at the expense of the other energy sources (Figure 6).

Here is what the prognosis says: instead of 178 million t SKE, as in 1977, these energy sources in 2000 must supply 388 million t SKE for the West German energy supply. Broken down by energy sources, this requirement could be counterbalanced by the following supply in the year 2000:

| Energy source | Million t SKE | Increase compared to 1977, % |
|---------------|---------------|------------------------------|
| Natural gas | 90 | 62 |
| Hard coal | 120 | 79 |
| Brown coal | 40 | 14 |
| Miscellaneous | 18 | 100 |
| Total | 268 | 62 |

In other words, we are left here with a difference of 120 million t SKE. An additional quantity of energy on this order of magnitude can be provided only through nuclear energy, as it looks now.

Energy Is not Equal to Energy

To answer the question as to where oil can be replaced with other energy sources, we must identify what is evailable in the way of primary energy, how much of that is left in the form of final energy and who consumes how much of that. Let us look at a little technical equation here:

Final energy

- Primary energy
- Conversion and transportation losses
- In-house (domestic) consumption
- Nonenergy consumption.

Here are the explanations of the concepts we use.

Conversion and Transportation Losses

Whenever primary energy is converted into final energy, in other words, when, for example, gasoline is refined from mineral oil or electric current is produced from brown coal, a part of the primary energy is lost during conversion into final energy and due to transportation to the consumer. In 1977, these losses on West German territory were 19 percent of the primary energy consumption (Figure 7).

In-House Consumption

Where final energy is generated from primary energy, energy is required to produce that final energy. This in-house consumption by the energy industry in 1977 came to 6 percent of the primary energy consumption and half of that is accounted for by oil. Within the energy industry, this in-house consumption is distributed in a widely differing fashion: the electric current producers consumed only 10 percent; the production of engine fuels and other fuels (for example, in the refineries) on the other hand took up the remaining 90 percent in-house consumption.

Nonenergy Consumption

By that we mean the primary energy use which is converted into products that do not represent any new forms of energy, in other words, for example, synthetics, fertilizer, chemical fibers, medications, heat insulating materials, or dyes. For this nonenergy sector, industry in 1977 took up 8 percent of the primary energy consumption; 89 percent of that had to be covered by mineral oil, specifically, mostly in the form of raw gasoline (naphtha).

The equation: final energy optimary energy - conversion and transportation losses - in-house consumption - nonenergy consumption looked like this in terms of numbers for West Germany in 1977:

Mio, t SKE

Primary energy con-

sumption 372

Conversion and

transportation losses - 72

In-house consumption, statistical differ-

ences - 21

Nonenergy consumption - 30

Final energy con-

sumption 249

Who Consumes What?

Out of 372 million t SKE in primary energy consumption, 67 percent were thus left in 1977 for final energy consumption. The consumers shared the 1977 final energy as follows (with mineral oil shares given in parentheses):

Consumer sector 1

Industry 35 (33)
Small consumers 17 (62)
Households 27 (59)
Transportation 21 (98)

Where Does the Oil Go?

If, out of the total 1977 primary energy consumption, we take only the mineral oil consumption and if we break it down, we get the following picture (Figure 8):

75 percent of the oil went into final consumption;

Of that amount, about one-third went to the transportation sector and two-thirds went to the consumer sectors of industry, small consumers, and households, in which heat is generated from oil.

Two-thirds of the mineral oil supplied in the form of final energy—in other words about 90 million t SKE in 1977—are thus used on the heat market in West Germany. This sector therefore unlike any other is ideal for translating the motto "Getting away from Oil" into action.

III. The Heat Market: Number 1 Troublespot

The heat market thus is not only the biggest mineral oil user and thus the major future problem for the energy industry. It also takes the largest share out of the final energy consumption; in 1977 that came to 71 percent. The rest was left over for power and light (Figure (9).



Figure 9. Share of heat market out of final energy requirement of FRG, 1977.

Key: 1--Final energy requirement; 2--Process heat; 3--Power and light; 4--Space heat.

Heat and Heat Are Two Different Things

The heat market of course does not only mean space heating. Here we must distinguish two areas of application:

Space heat, in other words, the heat used for heating and

Process heat, which is used in industry and commerce as production heat and with which, in the households, we cook, heat our bath water, as well as water for laundry and dishwashing;

Looking at process heat, 79 percent go to industry, while the rest is shared among small consumers and households (Figure 10);

In the case of space heat, the households alone consume 58 percent; small consumers are in second place with 28 percent, followed by industry with 12 percent.

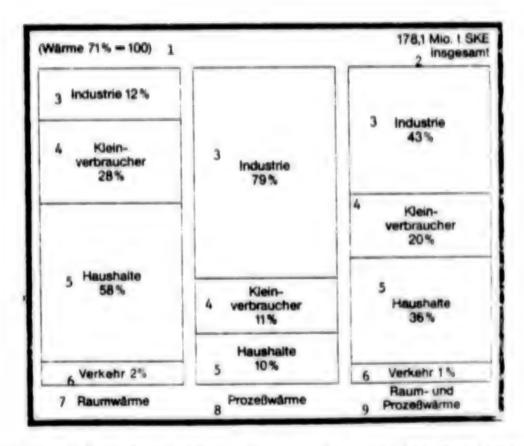


Figure 10. Shares of consumer groups in space and process heat requirement, West Germany, 1977. Key: 1--Heat; 2--Total; 3--Industry; 4--Small consumers; 5--House-holds; 6--Transportation; 7--Space heat; 8--Process heat; 9--Space and process heat.

Overall, the four consumer sectors take the following shares out of the heat market:

| Consumer sector | 2 |
|-----------------|----|
| Industry | 43 |
| Small consumers | 20 |
| Households | 36 |
| Transportation | 1 |

Heat Consumers

The structure of the heat market, broken down by consumer groups, application sectors, and energy types, reveals the following picture.

Industry

Consumption

In 1977, industry consumed about 35 percent of the total final energy. Of that volume, 88 percent went to the heat sector, specifically, 75 percentage points went to process heat and 13 percentage points went to space heat.

Mineral Oil Share

The heat consumption of industry came from mineral oil to the extent of 37 percent and from electric current to the extent of 8 percent (Figure 11). Broken down by application sectors, the oil and electric current shares looked like this: for space heat, 61 percent mineral oil and 2 percent electric current, and for process heat, 33 percent mineral oil and 10 percent current.

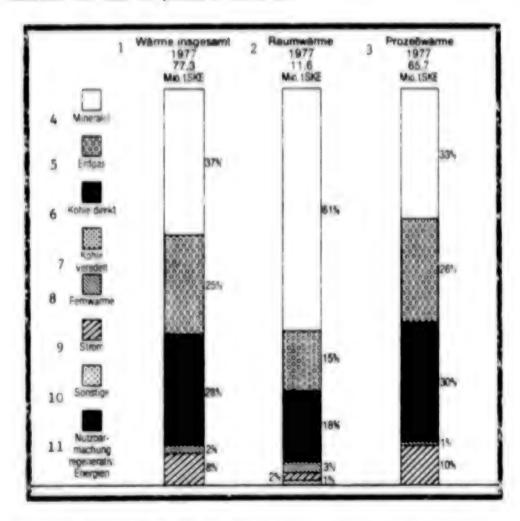


Figure 11. Meeting industry's energy requirements. Key: 1--Heat, total; 2--Space heat; 3--Process heat; 4--Nineral oil; 5--Natural gas; 6--Coal, direct; 7--Coal, refined; 8--Leng-distance heat; 9--Electric current; 10--Miscellaneous; 11--Utilization of regenerative energies.

Small Consumers

Consumption

In 1977, small consumers (including the military establishment) took 17 percent of the total linal energy consumption. Of that volume, 80 percent went to the heat sector, specifically, 60 percentage points went to space heat and 20 percentage points went to process heat.

Mineral Oil Share

Locking at the heat consumption of the small consumers, mineral oil predominated with 64 percent, while electric current covered barely 10 percent (Figure 12). In the case of space heat, mineral oil provided 71 percent and electric current provided 2 percent; for process heat, mineral oil came up with 44 percent and electric current with 31 percent.

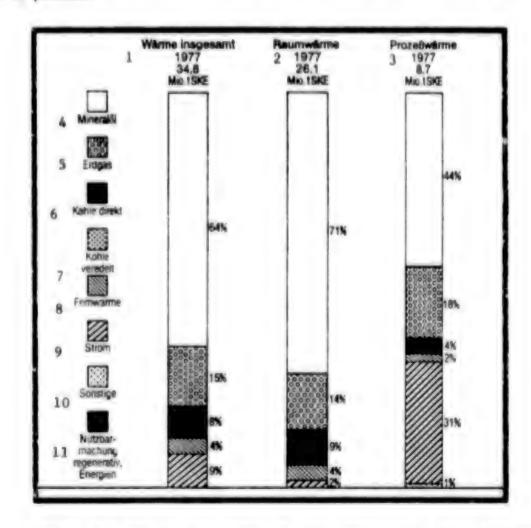


Figure 12. Meeting the heat requirements of small consumers. Key: 1--Heat, total; 2--Space heat; 3--Process heat; 4--Mineral oil; 5--Natural gas; 6--Coal, direct; 7--Coal, refined; 8--Long-distance heat; 9--Electric current; 10--Miscellaneous; 11--Utilization of regenerative energies.

Households

Consumption

In 1977, private households consumed about 27 percent of the final energy, specifically, almost exclusively—to the extent of 94 percent—for the heat sector, 82 percentage points for space heat, and 12 percentage points for process heat.

Mineral Oil Share

Mineral oil was used for heat consumption to the extent of 62 percent, electric current to the extent of 9 percent (Figure 13). In the case of space heat, the mineral oil share was 65 percent while the electric current share was 4 percent.

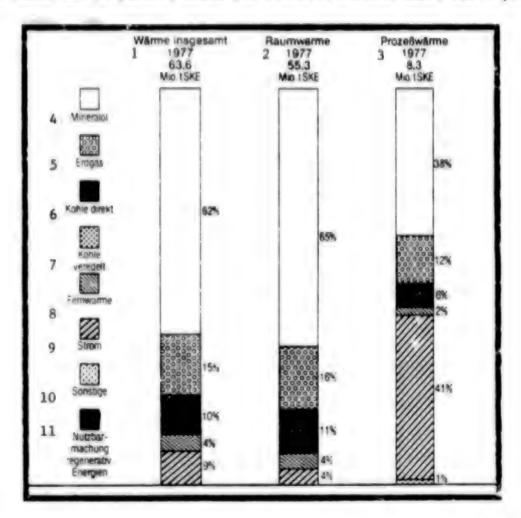


Figure 13. Meeting the heat requirements of households. Key: 1--Heat, total; 2--Space heat; 3--Process heat; 4--Mineral oil; 5--Natural gas; 6--Coal, direct; 7--Coal, refined; 8--Long-distance heat; 9--Electric current; 10--Miscellaneous; 11--Utilization of regenerative energies.

In the household process heat sector, electric current dominated with 41 percent, ahead of mineral oil with 38 percent. Here is why: most households have electric kitchens (70 percent) and electric washing machines (90 percent); in many households, water is heated electrically in the kitchen (35 percent) and in the bathroom (25 percent).

All Consumer Groups

Summarizing, we have the following 1977 heat market structural analysis:

The three consumer groups consisting of industry, small users, and households need 38 percent of the total energy consumption of the FRG for space heat and about one-third for process heat, in other words, a total of 71 percent for heat (Figure 9).

The mineral oil share in the space heat sector is two-thirds, in the process heat sector it is about one-third, overall, a little more than half (Figure 14).

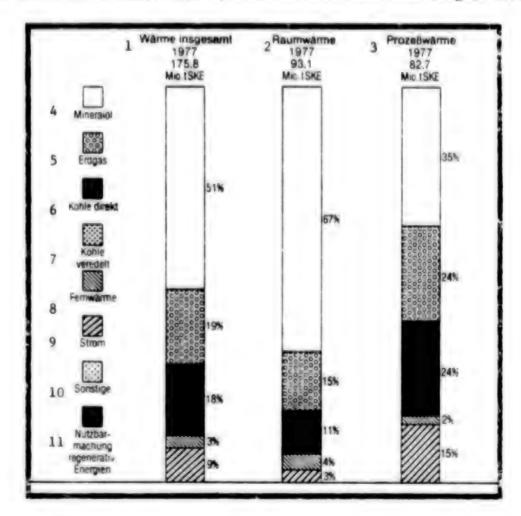


Figure 14. Meeting the heat requirement of the consumer groups. Key: 1--Heat, total; 2--Space heat; 3--Process heat; 4--Mineral oil; 5--Natural gas; 6--Coal, direct; 7--Coal, refined; 8--Long-distance heat; 9--Electric current; 10--Miscellaneous; 11--Utilization of regenerative energies.

The contribution from electric current in the space heat sector did not even come up to 5 percent; in the process heat sector it is 15 percent and overall it is barely 10 percent.

What Remains for the Heat of the Future?

What will the heat market look like in 2000? Where can mineral oil be replaced by other forms of energy?

In looking at the year 2006, we must first of all specify who--outside the heat market--will claim how much final energy and what will then be left for the heat market.

Nonenergy Requirement

The requirement for synthetics, medications, dyes, heat insulating materials, and fertilizer will continue to increase. In manufacturing these products, mineral oil can be replaced with gas and refined coal only to a limited degree

| | 1977 | 2000 |
|------------------------------------|-------|-------|
| Total consumption in million t SKE | 30,2 | 41 |
| Mineral oil share | 26.9 | 32.5 |
| | (89%) | (79%) |

Transportation

Mineral oil can hardly be replaced also in the final energy requirements of the transportation sector. Neither savings measures, nor new engine fuels, nor the greater shift of transportation from highways to rail will be enough to balance out the energy requirement of a continually growing number of cars.

| | 1977 | 2000 |
|------------------------------------|-------|-------|
| Total consumption in million t SKE | 51.2 | 60 |
| Mineral oil share | 50 | 54 |
| | (98%) | (90%) |

Power and Light (Excluding Transportation)

The requirement increase in this sector—to the extent that this does not involve an engine fuel requirement—must be met with electric current. A rising requirement for example develops due to the use of regenerative energies, environmental protection measures, raw material recycling, as well as technical control and regulation devices and systems among other things for a more efficient energy use.

| | 1977 | 2000 |
|------------------------------------|-------|-------|
| Total consumption in million t SKE | 22.3 | 39 |
| Mineral oil share | 4.4 | 4 |
| | (20T) | (10%) |

Heat Market

Space and process heat will take up most of our final energy also in the year 2000. In spite of all savings measures we must expect that the heat requirement will rise from just about 180 million t SKE in 1977 to about 225 million t SKE in 2000 and will continue to take up about 70 percent of the final energy consumption (Figure 15). Here, process heat will gain importance at the expense of space heat.

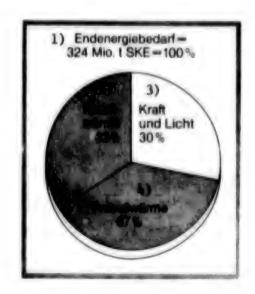


Figure 15. Share of heat market out of final energy requirement, FRG, 2000. Key: 1--Final energy requirement; 2--Space heat: 3--Power and light; 4--Process heat.

The following little table will show how little mineral oil will in the future be available for the heat market:

| Mineral Jil Requirement | Million t SKE | |
|--------------------------|---------------|--|
| Total in 2000 minus: | 147 | |
| Nonenergy needs | 33 | |
| Transportation needs | 54 | |
| Power and light needs | 4 | |
| Conversion/miscellaneous | 16 | |
| Remainder | 40 | |
| | | |

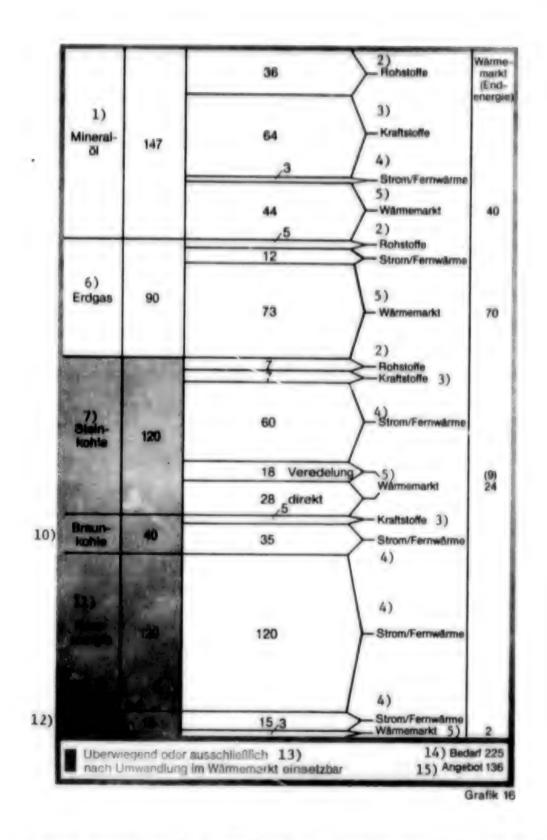


Figure 16. Primary energy supply in 2000 and utilization possibilities in heat market, in million t SKE. Key: J--Mineral oil; 2--Raw materials; 3--Engine fuels; 4--Electric current/long-distance heat; 5--Heat market; 6--Natural gas; 7--Hard coal; 8--Heat market (final energy); 9--Refining; 10--Brown coal; 11--Nuclear energy; 12--miscellaneous; 13--Predominantly or exclusively usable after conversion in heat market; 14--Requirement; 15--Supply.

This means that, instead of an oil volume of about 90 million t SKE, which in 1977 covered more than 50 percent of the heat requirement, only about 40 million t SKE will be available for this purpose in 2000, in other words, not even a little more than one half (Figure 16).

IV. Electric Current on the Heat Market in 2000

No other supply sector is as endangered by the oil shortage as is the heat market. Electric current can help here.

Heat Market and Conversion Losses

In discussing the way in which the energy requirement is to be met in the heat sector, efficiency comparisons frequently play a big role. These comparisons are entirely justified to the extent that the efficiency chains involving identical energy sources are compared completely, that is to say, from primary energy all the way to utility energy.

Caloric efficiency considerations however are misleading particularly when there are considerable restrictions in the energy supply, such as this will be typical in our future energy supply (Figure 16). In that case, conversion losses will have to be accepted. Unless, of course, we want to for the utilization of energy sources (coal, nuclear energy) which can be exploited in keeping with utilization requirements only with relatively heavy losses (use of coal for electric power generation, coal refinement) and if we thus want to leave a part of the demand uncovered.

Because current is being generated from mineral oil only to the extent of 5 percent, every kilowatt hour on the heat market practically saves mineral oil.

In addition to current, all other energy forms are going to have to do their job on the heat market in 2000. Optimists figure that:

The share of natural gas in the heat market will be doubled,

The contribution from long-distance heat will be tripled and

Coal, after many long years of decline, will once again be able to make an essential contribution on the heat market.

All of this together however will not be enough to balance out the reduced mineral oil share.

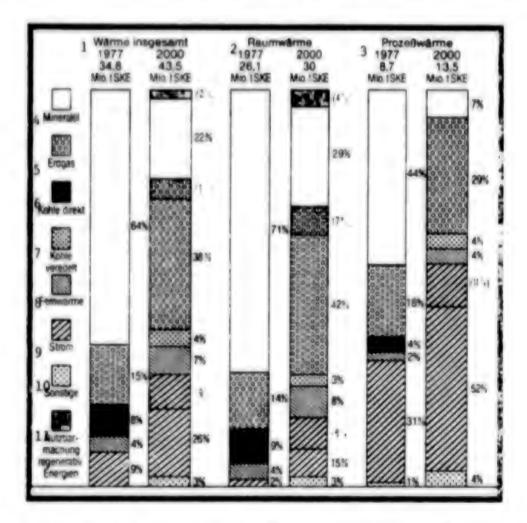


Figure 18. Meeting the heat requirements of small consumers, 1977 statistics and 2000 prospects, in %. Key: 1--Heat, total; 2--Space heat; 3--Process heat; 4--Mineral oil; 5--Natural gas; 6--Coal, direct; 7--Coal, refined; 8--Long-distance heat; 9--Electric current; 10--Miscellaneous; 11--Utilization of regenerative energies.

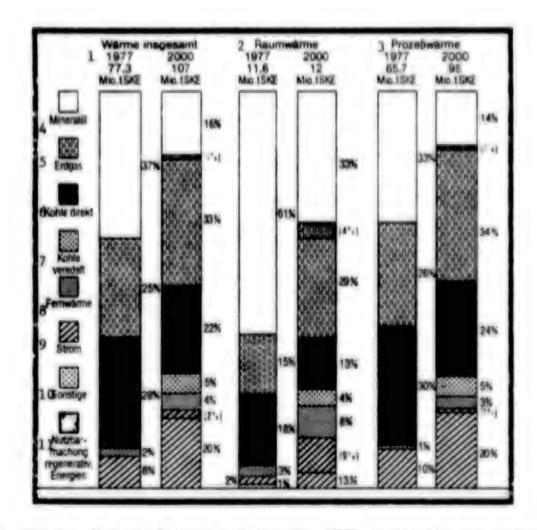


Figure 17. Meeting industry's heat requirement, 1977 statistics and prospects for 2000 in 2. Key: 1--Heat, total; 2--Space heat; 3--Process heat; 4--Mineral oil; 5--Natural gas; 6--Coal, direct; 7--Coal, refined; 8--Long-distance heat; 9--Electric current; 10--Miscellaneous; 11--Utilization of regenerative energies.

Current on the heat market is going to have to be evaluated according to the following criteria:

The unavoidable conversion losses during electric current generation are thus utilized as much as possible through power-heat coupling.

The efficiency losses during electric current production are for the most part compensated for by the fact that current, as a form of energy, can be converted into utility energy with a particularly high efficiency.

Energy sources not usable otherwise are going to be used increasingly for current generation.

Current can thoroughly use up regenerative energy sources as well as environmental heat.

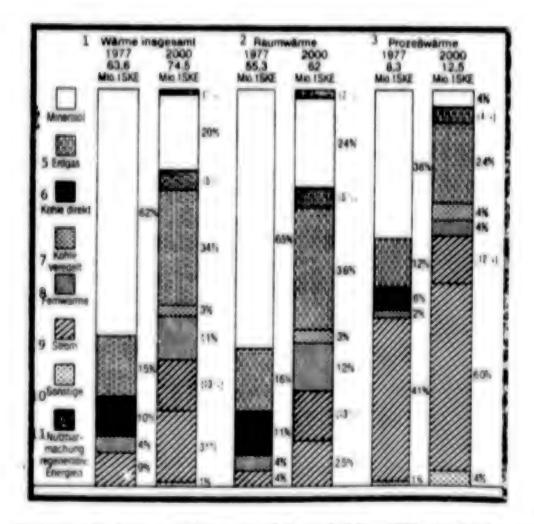


Figure 19. Meeting the heat requirements of households, 1977 statistics and 2000 prospects, in 2. Key: 1--Heat, total; 2--Space heat; 3--Process heat; 4--Mineral oil; 5--Natural gas; 6--Coal, direct; 7--Coal, refined; 8--Long-distance heat; 9--Electric current; 10--Miscellaneous; 11--Utilization of regenerative energies.

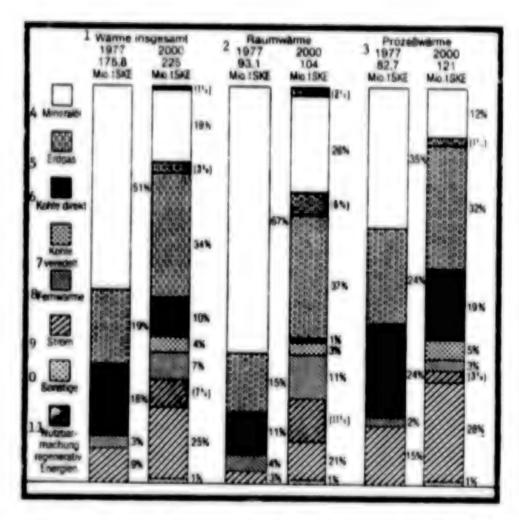


Figure 20. Meeting the heat requirements of the consumer groups, 1977 statistics and 2000 prospects, in %. Key: 1--Heat, total; 2--Space heat; 3--Process heat; 4--Mineral oil; 5--Natural gas; 6--Coal, direct; 7--Coal, refined; 8--Long-distance heat; 9--Electric current; 10--Miscellaneous; 11--Utilization of regenerative energies.

Current Share Doubles

In 2000, current could cover one-quarter of the heat requirement (Figure 20).

This share would be almost 3 times as high as in 1977. The share of current however for this purpose would only have to be doubled because regenerative energy forms (environmental heat, solar energy) can be used to a considerable extent by means of current. Together with the other forms of energy, such as gas, long-distance heat, and coal, current in the year 2000 would replace mineral oil to the required extent.

Specifically, the 2000 heat market could look like this.

Industry

Space Heat

A part of the waste heat developing in industry could be used through heat recovery with current for heating purposes. The shares of long-distance heat and natural gas would have to be roughly doubled in this sector and the share of coal should not decline any further. Overall, the share of mineral oil here could be reduced from almost two-thirds in 1977 to one-third (Figure 17).

Process Heat

Here, current could definitely cut down on our present-day utilization of light heating oil above all through heat recovery. Besides, it would seem that electric heat would prevail further. This is because it meets the requirements for higher product quality, flexibility in production, high processing depth, and it is environmentally safe. If natural gas use were to be doubled, if the long-distance heat volume were to be tripled, and if the use of coal were to be increased by 50 percent, then, in the year 2000, with a current share doubled to a figure of 20 percent, only a remainder of about 15 percent would be left for mineral oil, as against 33 percent in 1977.

Small Consumers

Space Heat

With a share increased to 7 percent, current, using regenerative energies, can meet 15 percent of the space heat requirement. The share of natural gas would have to rise most, that is to say, to a figure of 42 percent. The contribution of long-distance heat could be just about doubled to a figure of 10 percent. Then only a gap of 30 percent would have to be closed for mineral oil in the year 2000, as compared to 71 percent in 1977 (Figure 18).

Process Heat

Here, electric current in 1977 already covered 30 percent of the requirement. This share could rise to 50 percent together with the regenerative forms of energy. The shares of natural gas and long-distance heat would have to rise from the past 20 percent to 33 percent. In that case only less than 10 percent would be left over for mineral oil in 2000, as against 44 percent in 1977.

Households

Space Heat

In this sector, there will be an increasing demand for electric heating units in the future, especially outside metropolitan areas, where gas and long-distance heat cannot be offered economically. We can expect the following demand sectors for electric heating systems:

Half of the about 9 million apartments with central oil heating. They could be switched to central electric storage heating or heat pump heating.

Newly constructed dwelling units in rural areas, specifically, in single-family and two-family homes.

The just about 3 million dwelling units with individual oil furnaces.

Current plus environmental energy in 2000 could cover about one-quarter of the space heat requirement in private households as against just about 5 percent in 1977 (Figure 19). Long-distance heat from power-heat coupling and thermal heating plants could increase their share three-fold and, compared to 1977, that would signify a quadrupling of the dwelling units heated in this fashion. Including the use of environmental energies, it should be possible to have natural gas meet 36 percent of the space heat requirement (1977, 16 percent). That means that a share of 24 percent would be left over for mineral oil (1977, 65 percent).

Process Heat

Bath water is heated with oil furnaces in 7 million dwelling units. During the summer months, when there is no heating, this is particularly energy-wasting and expensive. Oil could be saved here through electrical hot-water heating at the consumption site, through the use of solar energy and environmental heat. In this way, electric current could, in this sector, increase its share from the current 40 percent to 60 percent in 2000. If the shares of gas and long-distance heat were to be doubled, then mineral oil would have to cover only 5 percent of the process heat requirement in 2000 whereas in 1977 the figure was still 38 percent.

All Consumer Groups

By way of summary, the heat requirement in 2000 could be met as follows (1977 figures in parentheses) (Figure 20):

| Energy source | | Percent | |
|---|----|---------|--|
| Mineral oil, including environmental heat | 19 | (51) | |
| Natural gas, including environmental heat | 34 | (19) | |
| Coal (directly and gasification) | 14 | (18) | |
| Long-distance heat | 7 | (3) | |
| Electric current, including environ- mental heat | 25 | (9) | |
| Miscellaneous | 1 | (-) | |

This means that the share of mineral oil would be reduced by far more than half, in other words, from more than 50 percent in 1977 to just about 20 percent in 2000.

Space Heat

Natural gas would have to take over a market share of almost 40 percent in 2000; electric current would have to supply 21 percent. The environmental heat, used through current, could contribute about half, in other words, 11 percent. The share of long-distance heat would have to be just as great (11 percent) while coal would have to contribute only just about 5 percent. Mineral oil would then have to come up with only about 25 percent, as against 67 percent in 1977.

Process Heat

In this sector, natural gas would have to cover one-third of the needs. The current contribution, including the utilization of regenerative energy, could rise to 28 percent. A similar order of magnitude (24 percent) would have to be contributed by coal. The share of long-distance heat would have to be double. Mineral oil would have to cover the remainder of 12 percent (1977, 35 percent).

V. Effects

Current on the heat market for 2000 will change much in the West German economic landscape. The effects will extend from the job all the way to the foreign trade balance.

Electric Power Industry

Neutralization of Available Supply Capacity

Current is tied to power plants and distribution networks. It thus cannot replace wil in an unlimited manner. This is why the electric power industry would first of all use the kind of current on the heat market which, during times of low power plant and distribution network utilization, can be made available. The capacity available for this purpose springs from the general increase in current consumption which we can expect to double by the turn of the century. On that basis it seems possible:

To double the current 1.9 million electrical storage heating systems in apartments to 3.6 millions;

To equip 4.2 million apartments with twin-purpose electric heat pump heating systems which can developed extensively in terms of output capacity;

To install single-purpose heat-pump heating units in 200,000 dwelling units which can be tapped during maximum load times.

Here is what that means: 30 percent of all dwelling units, in other words, around 8 millions, could in the year 2000 be heated exclusively or overwhelmingly with electric current-driven systems, specifically, without any need for building any special new power plants for that purpose.

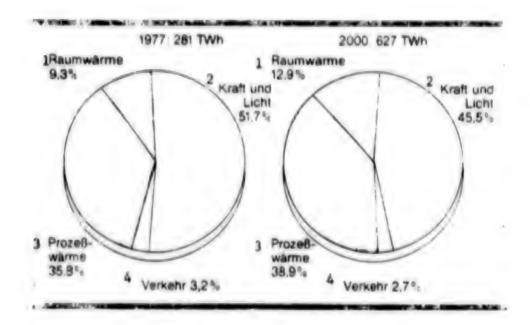


Figure 21. Current consumption structure by application sectors, 1977 and 2000 (excluding in-house consumption). Key: 1--Space heat; 2--Power and light; 3--Process heat; 4--Transportation.

Few Power Plants for Much Heat

Heat market problems could not be solved in 2000 only with the capacity available during low-load times. That applies especially to housing heating in rural areas without gas and long-distance heat connections. In order to be able to replace heating oil extensively here likewise without any loss of comfort, it might prove to be necessary to equip, for example, 1.2 million new single-family homes with single-purpose electric heat pump heating systems that can be tapped when necessary. For that purpose of course we would need an additional limited power plant output of about 3,000 Mw which could be erected only with the corresponding policy support.

How Much Current in the Future?

Overall, model computations tell us that the gross current output, at home, by the year 2000 would have to rise to 735 Twh (in 1977 the figure was 335 Twh). That corresponds to an average annual growth rate of 3.5 percent. That already contains the additional current share on the heat market. Due to increased current utilization for heat, we only get minor shifts by the turn of the century in the structure of current sales by application sectors (Figure 21). Compared to 1977, the share of space heat rises from 9 percent to 13 percent, the share of process heat goes up from 36 percent to 39 percent. The most important sector remains the power and light sector as well as transportation with a share of 48 percent (1977, 55 percent).

Energy Industry

Oil To Be Displaced and Replaced

There are sectors that must be distinguished in oil substitution:

First of all, the primary energy sector in which oil is replaced

And, second, the final energy sector, from which oil is being displaced. In the course of this, less oil is always being displaced than is being replaced because primary energy is reduced due to conversion and transportation losses as well as in-house consumption, before it is available as final energy.

Overall, a current use of 90 billion kwh in 2000 can replace 26 million t mineral oil (= 37 million t SKE) and displace 23 million t mineral oil (= 34 million t SKE) (Figure 22).

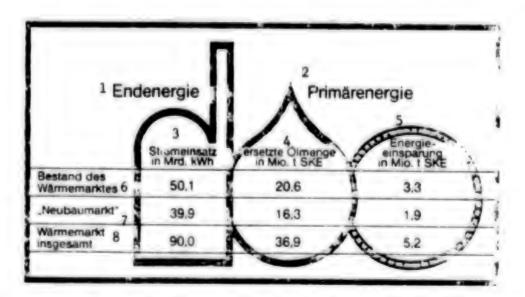


Figure 22. Effects of current use in heat market on oil and primary energy requirement in 2000. Key: 1--Final energy; 2--Primary energy; 3--Current use in billions of kwh; 4--Replaced oil volume in millions of t SKE; 5--Energy savings in millions of t SKE; 6--Heat market inventory; 7--"New construction market"; 8--Heat market, total.

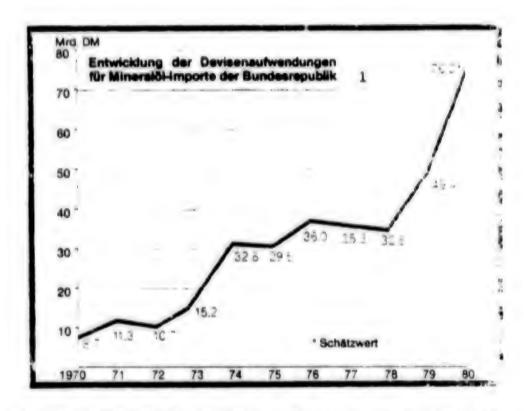


Figure 23. Key: 1--Development of foreign exchange expenditures for mineral oil imports by FRG; (*) Estimated figure; Mrd--Billions.

Specifically, it would be possible to replace about 15 million t of mineral oil (= 21 million t SKE) in the heat market inventory and about 11 million t of mineral oil (= 16 million t SKE) in the "new construction market." Overall, that would enable us to save 5 million t SKE of primary energy per item here.

Moreover, by utilizing 15 million t SKE of regenerative energy we would be making probably the most important contribution to the utilization of this additional energy through current use until the turn of the century.

According to present-day prices, 26 million t of oil replaced in the primary energy sector amount to almost 10 billion DM. This is about as much as the FRG had to pay for its total mineral oil imports in 1972. That of course has an effect on the entire national economy.

National Economy

Consumption Structure

Rising heating oil prices have a direct effect in one out of every two households. Roughly half of the about 24 million West German dwelling units are today still being heated with mineral oil. Rising energy costs mean that these households can spend very much less money for other goods and services. The use of current changes the structures on the energy market in a positive fashion and could thus counteract this trend.

Employment and Economic Growth

Structural changes on the heat market in 2000 due to current have a positive effect on job security and employment levels. What is lost in terms of jobs in the mineral oil sector will be more than compensated for by the favorable effects in the sectors of coal mining, energy industry and construction industry, systems construction, commerce and crafts. In addition we have the fact that plants and systems for oil substitution are high-grade products. They replace not only the current systems that work with mineral oil. They often also require additional systems, such as, for example, in the case of twin-purpose heat pump heating systems, solar systems, etc.

Foreign Trade

In 1970, West Germany paid DM9 billion for its mineral imports; in 1980, the figure might be between DM70 and 80 billion (Figure 23). Heat from current can decisively reduce mineral oil imports and thus help considerably improve West Germany's balance of payments.

VI. Summary

1. A Look into the Energy Future

Experts at the World Energy Conference had this warning: today, there is a worldwide gap between reserves and demands for primary forms of energy. Mineral oil accounts for only 28 percent among mineral energy reserves. In terms of consumption however it comes ahead of coal and natural gas with a figure of 50 percent. Any cutback in petroleum extraction therefore will cause a further deterioration in the energy situation. But West Germany must import 96 percent of its mineral oil. Its energy supply thus can be guaranteed only if mineral oil is replaced as much as possible by other energies, if possible domestic and thus crisis-proof energy sources. Energy experts confront the West German government and other Western industrial nations with the obligation of using their know-how in order to expand and develop highly-developed techniques for energy generation and energy use.

2. The Energy Facts of Life in West Germany

In spite of the oil price explosion and many savings appeals, mineral oil is still the number one item in West Germany's energy supply with a share of more than 50 percent. The slogan: "Getting Away from Oil" therefore is an essential part of the West German government's energy program. This goal is to be attained by:

Disconnecting the energy consumption growth rate from economic growth and reducing it in the future and

Broadening the assortment of the energy supply.

In the year 2000, mineral oil at best will be able to contribute only about 150 million t SKE to the total primary energy requirement of about 535 million t SKE. That comes to about 50 million t SKE oil less than right now. This is why energies other than oil will have to cover not only West Germany's primary energy requirement which, compared to today, grows by about 125 million t SKE; beyond that they will also have to replace the 50 million t SKE oil.

3. Heat Market -- Number One Trouble Spot

With a share of more than 70 percent out of the final energy consumption, the heat market is West Germany's biggest energy consumer. It is subdivided into the two sectors of space heat (for heating) and process heat (as production heat in industry and commerce, for cooking and hot-water heating in the household).

The consumer groups of industry, small consumers, and households use these two types of heat in widely differing degrees. Just about 80 percent of process heat go to industry. Space heat is needed to the extent of just about 60 percent in households and barely 30 percent by small consumers. Mineral oil must presently cover about half of the total needs on the heat market.

Electric current can make a decisive contribution toward the reduction of the country's dependence on oil. Here is why: instead of the oil volume of 90 million t SKE, which still produced heat in 1977, not even one half of that amount will be available in 2000. This development is taking place along with a rising requirement. In spite of all of the savings measures, the heat market by the year 2000 will continue to grow from barely 180 million t SKE in 1977 to about 225 million t SKE.

4. Current on the Heat Market in 2000

In order to make up for the reduced mineral oil share on the heat market in 2000 and to meet the growing requirements, we are going to have to make use of all energy sources. Optimists expect that the contribution from natural gas will be doubled, that the share of long-distance heat will be tripled, and that coal could once again make an essential contribution. Nevertheless, we would be left with a rather painful gap that can be closed only by means of current and renewable energies. Here, current could definitely help reduce the mineral oil share in the consumer groups of industry, small consumers, and households and in the two application sectors of space heating and process heat. One critical main point in the substitution of oil with current would be residential heating. Current plus environmental energy could in this case cover 25 percent of the requirements by 2000. This can be done specifically through the following:

Electric storage heating in 3.6 million dwelling units (1979, 1.9 million); 4.2 million twin-purpose electric heat pump heating units, mostly in single-family and two-family homes, which today have central oil heating;

1.4 million single-purpose electric heat pump heating systems which can be tapped during peak load times primarily in new single-family home building in areas without gas and long-distance heat connections.

In the case of space heat, current could meet more than 20 percent of the heat requirement by the turn of the century, more than half of that by tapping renewable energy sources.

In the process heat sector likewise, current can offer oil-saving and reasonable alternatives:

Electric hot-water supply in most of the 7 million households which today still heat their water by means of central oil heating;

Electrical process heat in industry and commerce.

Looking at process heat, current could supply more than one-quarter of the requirement by utilizing renewable energy forms by the turn of the century.

Overall, current could, by the year 2000, almost triple its share in meeting the heat requirements from just about 10 percent to 25 percent. The utilization of renewable energy sources, for example, environmental heat and solar energy, would require only a doubling of the current share.

5. Effects

A 25-percent share of current plus environmental heat out of the heat market in 2000 will have much more far-reaching consequences not only for the electric power industry but also for the national economy as a whole.

By the year 2000, the electric power industry could supply about 8 million dwelling units with electrically operated heating systems extensively using the supply capacities that can be tapped during low-load times, without having to build any special new power plants for that purpose. The prerequisite is that the supply capacities for the normal requirement increase in terms of power and light as well as for industrial process heat are erected by the proper deadline. With an additional power plant capacity of 3,000 Mw we could moreover, for example, equip another 1.2 million single-family homes, in areas without gas and long-distance heat supply, with interruptible single-purpose electric heat pump heating systems.

Overall, using 90 billion kwh of current, we could replace about 37 million t SKE of oil (= 26 t of oil) in the primary energy sector. That would mean a saving of about 5 million t SKE of primary energy per item. Furthermore, in case of increased current use on the heat market, it would be possible to make about 15 million t SKE of renewable energy available. In that way, current would, by the turn of the century, make probably the biggest contribution to the utilization of renewable energies. Stepped-up current use for oil substitution on the heat market moreover would produce positive effects on the consumption structure, the employment level, the output balance sheet, and the environment.

Technical Terms

Energy Sources

Substances from which energy can be released.

Primary Energy

The energy sources offered by nature in their original form, such as hard coal, raw brown coal, crude oil, natural gas, uranium, biomass, geothermal heat, sun, water, wind, etc.

Renewable (Inexhaustible) Energy Sources

Energy sources which are constantly renewed, such as biomass, geothermal heat, the tides, solar radiation (directly or in the form of environmental heat), water, wind. In this brochure we separately show the renewable energy sources used for final consumption. This item also covers the waste heat used for final consumption.

Nonenergy Consumption

Consumption of petroleum, gas, and coal as raw material for making synthetics, fertilizer, medications, heat insulating materials, etc.

Secondary Energy Forms

Energy forms generated by conversion from primary energy forms, such as, for example, heating oil, gasoline, and others, from petroleum; current from coal, nuclear energy, water, refuse, etc.

Final Energy

The energy used by the final consumers (industrial and commercial operations, households, etc.) to meet the requirement for utility energy. Most of the final energy in West Germany consists of secondary forms of energy which are obtained through conversion of primary forms of energy.

Utility Energy

That part of the final energy which is available at the final consumer's end after the last converson for the particular utility purpose.

Examples: heat coming out of heating units in the room (space heat) from heating oil after use in the heating boiler and after transport in the house; heat in the form of electric energy coming out of the electric range for the purpose of cooking food (process heat).

Process Heat

A form of utility energy which is needed for industrial and commercial heat processes (smelting, drying, hardening, cooking, etc.) but also for heat processes in the home (cooking, utility water heating).

Space Heat

A form of utility energy which is needed to heat residential and nonresidential buildings.

Hard Coal Unit

Abbreviation: SKE. Practical unit of measure guided by the energy content of hard coal. A unit of 1 kg SKE was determined as 1 kg hard coal with a caloric value of 29.3 mega-joule = 7,000 kcal. The physical unit of energy is 1 joule (1J).

Coal Refining

Conversion of coal into gaseous ("coal gasification") and liquid ("coal hydration") fuels.

Gross Current Generation

Electrical energy given off by generator.

Net Current Consumption

The electric energy used by the final consumer after deduction of the in-house requirements of the power plant and after deduction of lesses during transportation and distribution.

Power-Heat Coupling

Simultaneous generation of electrical energy and heat in one plant, as a rule, in a thermal power plant.

Long-Distance Heat

Heat supplied by thermal power plants (power-heat coupling) and thermal heating plants (in other words, space heat and process heat).

Long-distance heat does not include in this brochure the heat supply from so-called "block heating systems" (central heat generation for building complexes). The latter is subordinated to the particular energy sources which are used for heat generation in those plants.

Heat Pump

A heat pump is used for the purpose of utilizing heat sources in the environment (earth, surface and underground water, air, waste heat) especially for space heating and utility water heating. Electricity, gas, or diesel oil are considered as energy forms to power the heat pump.

In heat pumps we distinguish between single-purpose and double-purpose operation.

Single-Purpose Heat Pump

In the single-purpose operation, the entire utility energy is supplied by the heat pump system (heat pump plus possible accessory unit) with the help of one energy source.

Double-Purpose Heat Pump

In the double-purpose operation, the heat pump is supplemented by a heat generator which is driven by means of another commercially available energy source (for example, gas, oil, coal), that is to say, other than the source needed for driving the heat pump itself. The supplementary heat generator is designed completely to

take over or to supplement heat supply on especially cold days. The idea is to release or relieve the high-grade energy source--which is used to drive the heat pump--of the need for meeting peak-time needs.

Small Consumers

The group of final consumers consisting among others of the following final consumers:

Public institutions; commercial enterprises, crafts enterprises with less than 20 employees; office buildings and commercial space; agriculture.

In this brochure moreover we include the military establishment among the final consumer group referred to as "small consumers."

5058 CS0:8120/0709 ENERGY ECONOMICS NORWAY

OIL ACTIVITY PROFIT SAID TO CONCEAL ECONOMIC STAGNATION

Stockholm DAGENS NYHETER in Swedish 25 Mar 81 p 10

[Article by Per Sjogren]

[Text] The oil is overflowing, but there is stagnation on the mainland. This is a dilemma for the Norwegian economy. The oil economy is growing rapidly in Norway and it is flowing into all other areas. This is happening while the economy of the mainland is growing more slowly and industry is at a standstill. Some years ago it was believed that there would be oil and gas for a couple of decades, but the findings of 1979-1980 were so large that we now know that the energy will last beyond the year 2000. Norway can choose between two alternatives:

--Let the development continue without much resistance. That way Norway would become an oil economy, while other activities would have to be protected because they cannot face international competition. That is the current situation for farming.

--Or Norway may choose to manage the economic development more tightly than is currently the case, and to retain an industrial condition--but not exactly the same as we have now--for a time when the riches of the platform of the North Sea will be used up.

"Under any conditions it is high time to draw conclusions from the development that has taken place instead of pretending that it would be possible to separate the oil economy from the economy of the mainland."

This is what Odd Aukrust says, an energetic grey-haired man in Oslo who is more able than most economists to express himself clearly.

When the oil policies were adopted in 1974 the income from the platforms was insignificant and it was not possible to predict the enormous price increase for oil that took place in 1979. It was not possible either to predict the large discoveries of the most recent years. In 1974 several facts were pointed out:

-The oil and gas would last a couple of decades and therefore it was necessary to plan for the time thereafter.

-- The incomes from oil and gas should be used to lift Norway up to a higher level with regard to industry and technology. On that basis Norway would be able to continue to exist after the oil was depleted.

That meant that the oil and the mainland economies would have to be kept apart. The income from the North Sea would have to be used sparingly.

The Facts Have Turned Into Myths

Today these facts have turned into myths, according to Odd Aukrust. To hang on to them would be like continuing to enter the oil age backwards.

First a few words about the importance of the oil and the gas:

Last year's extraction corresponded to 55 million tons of oil and the income was about 50 billion Norwegian kroner before the deduction of production costs and the depreciation of capital.

That is a third of the entire export of goods and services. Last year Norway had an excess in the balance of payments for the first time since 1969, thanks to the oil. The excess was barely 5 billion Norwegian kroner. Without oil and gas Norway would have a deficit in the balance of payments of a little more than 34 billion Norwegian kroner. That is much worse than the actual situation in Sweden.

The extraction of oil and gas will remain on the same level in the next few years, but it is expected to increase to 70 million tons per year in the later part of the 1980's, and to 90 million tons in the 1990's.

Oil affects the wages and the employment situation of the entire country, as well as the economic politics of the nation and production on the mainland. In that sense Norway is already an oil country.

4,000 People on the Continental Shelf

Norway and Canada are the only large oil producers in the world that are already highly industrialized and will have oil for a long time in the future. Both are unique in having to find out how to live with oil at a high level of production, and for a long time.

The number of year-round jobs on the Norwegian continental shelf is relatively small, about 4,000. On the mainland the oil activity employs about 40,000 people.

Industry employs 575,000.

Farming and fishing employ 160,000.

There are a total of barely 2 million people on the labor market.

The oil activity employs a growing number of people and in addition foreign employees are continuously replaced with Norwegians.

Except for northern Norway and a few areas in the interior of the country, the labor market is tight. The pressure on employment proceeds from the oil activity and from the public sector. The politicians and the economists both in and outside the government are talking about stopping the "Norwegianization" of the oil activity in order to ease the pressure on the labor market in two ways, on one hand the cry for work power, on the other hand for wages.

High Wages

The oil activity is the wage leader, and from it impulses go to the entire labor market. The problem is that the profitability of the oil activity is so high that it is not possible to compare it with any other sector.

Last year the workers out on the platforms of the North was demanded and got wage increases of 30 percent while the nominal wage increases of the entire labor market was on the average 15 percent.

From 1 April 1980 to 1 April 1982 there is a 2 year agreement with adjustment negotiations, which are currently going on. The model of the Norwegian Federation of Trade Unions since last year is an especially constructed low wage policy. The low wage groups are guaranteed 85 percent of the average industry wages. The employers and the wage earners pay support to a low wage earners fund. At the same time a ceiling is imposed on the sliding of wages.

The Federation of Trade Unions believes that within its domain, people with wages up to 80,000 kroner per year have received an increase in real income in the first agreement year. Everybody else has been on a standstill or had their real income decreased.

The order from the Federation of Trade Unions is a continued low wage policy, in principle retained real incomes and a fifth vacation week. The Federation of Trade Unions organizes about 600,000 people of the labor market. Since 1977 there is a central organization of salaried employees, the Central Union of the Trade Organizations with almost 100,000 members.

A Lost Market

Academics, teachers and nurses have independent organizations. Last year these three organizations were forced into the agreement trap, and this year the organizations outside the Pederation of Trade Unions are shaking the bars and mean that now it is enough with solidary wage politics.

The export industry has lost ground and market shares for several years. This is due to high production costs and to the fact that the manufacturing industry has its most important customers in countries with low or no growth like England, West Germany and Sweden.

Moreover, raw material and semimanufactured articles for export are sensitive to the political situation of the moment.

An industry that is working for the home-market, but is subject to competition from abroad is also losing shares in the market. Totally, industry production has remained on the 1974 level.

Employment in industry that is subject to competition has gone down by 35,000 in 9 years. According to some people the number of people employed in industry is 30,000 too many.

Farming and fishing are supported by the government. The government has likewise supported sectors of industrial production in the past 5 years. The activities of the government, the county councils and the municipalities have grown fast. In 9 years the number of full-time jobs has grown by 160,000. The employment in fishing and farming has gone down, as in industry.

There is now political unity over the principle that the growth of the public sector has to be slowed down, but the parties disagree about which areas should be slowed down the most. Private consumption has to be kept down, if possible.

Holy Cows

Odd Aukrust counts on a continued decline in industry by a couple of thousand jobs per year and he assumes that that sector will perhaps shrink to 300,000 employed in the year 2000.

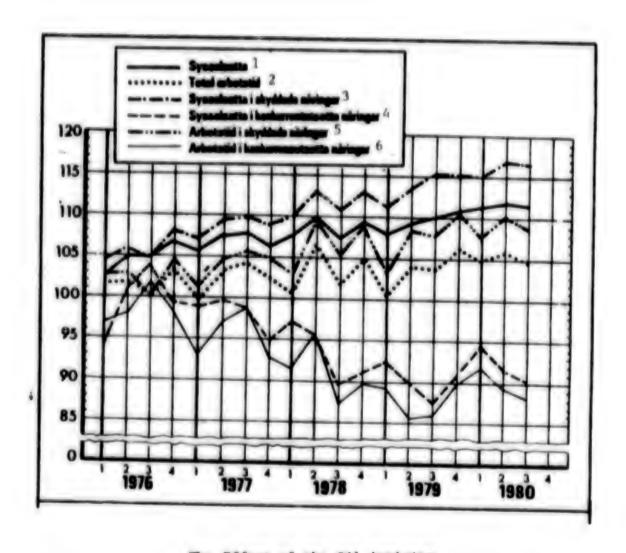
He is of the opinion that it is poor economics to retain a production that does not pay. Since it is expensive and continues to be expensive to produce in Norway, he can well support the idea that more production for the country should be located in other countries. Norway would provide capital and leadership, but would have others do the work. He would also like to attack two holy cows within Norwegian politics, farming and fishing. Those two could well be cut down, according to him.

That cannot be done, according to the politicians. The result would be depopulation and already vulnerable areas would become deserted.

Mainland-Norway is not self-sufficient today. It is, however, possible to manage with the incomes from oil and gas. The government is talking about restraint, but it is hard to explain that there would not be enough money to pay doctors and nurses in empty hospital wards now that the billions from the oil are flowing in.

So far the temptation has been over-powering to consume the oil income before there even was an income and to use up this income now as soon as it is available.

There is the demand to meet the pressure from the oil and to retain an industrial foundation for the time after the oil. But that is hard, for nobody knows today what technology will be like a hundred years from now.

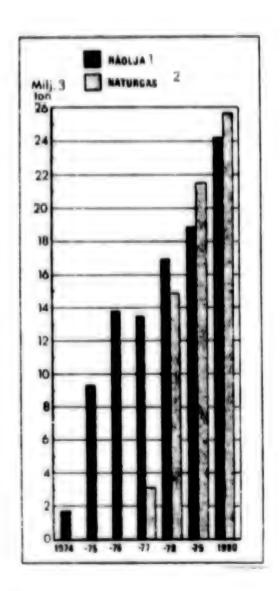


The Effect of the Oil Activity

The diagram shows the effect of the oil economy on Norway. The employment and the hours of work within the trades that are subject to competition from the outside are declining. The employment within the protected trades without outside competition increases steadily. In the diagram 1975 is standardized to 100.

Key:

- 1. Employed
- 2. Total work time
- 3. Employed in protected trades
- 4. Employed in trades that are subject to competition
- 5. Work time in protected trades
- 6. Work time in trades subject to competition



The Gas Increases the Most

The Norwegian oil activity has grown fast in 7 years. The extraction of gas has increased most rapidly. The production of gas is presented here so that it corresponds to millions of tons of oil.

Key:

- 1. Crude oil
- 2. Natural gas
- 3. Millions of tons

9662

CSO: 3109/140

MEASURES PLANNED AGAINST LAND SPECULATION

Hamburg DER SPIEGEL in German 6 Apr 81 pp103-108 excerpt

/Article: "High Time"7

Excerpt | Bonn is trying to make land speculation more difficult; one-tenth of Germany's real estate is being hoarded.

Over the past several years it has not been savings accounts, government bonds or stocks that made lots of money for well-to-do West Germans but real estate. At a time when politicians, scientists, businessmen and labor unionists tend to scare the man in the street with talk of lean years anyone owning real estate need have no worry.

Over the past decades, the cost of building land registered double-digit climbs-- with the increases themselves climbing all the time. The cost rose by 27 percent in 1980 and for this year experts are figuring on a whopping 30 percent rise.

Even the constitutional court has held that non-augmentable real estate must not be subject to the vagaries of the market or of individuals alone. "The public interest," the court ruled in 1967, "is to be taken into greater account in this regard than in the case of other property assets."

But it did not go beyond this exhortation and as for the internal revenue authorities they dealt with land speculators less harshly than with average citizens placing their money in savings accounts.

Gains from the sale of real estate are tax-exempt, if the buyer owned the property for a minimum of 2 years. Real estate, property and inheritance taxes are figured by internal revenue on the basis of a rate tied to land values in 1964. The rule of thumb applied by the experts is that land in West Germany then sold at about a quarter of what it sells for now.

Only once in German history did the government try to make life difficult for land speculators -- but that was long ago and only applied to China. It was the imperial naval administration in Tsingtao that assessed real estate taxes on the basis of real land value. It also collected a third of the capital gains on any sale of real estate.

But ever since the Germans had freely elected governments, there has been no such bar on land speculation any more. A tax on building land that was introduced in the early sixties gave way under the pressure of the real estate lobby before long. Two years after enactment, it was revoked by staunch market economist Ludwig Erhard "at the very moment that it began to work," as the Dortmund regional planner Hartmut Dieterich says.

A study the Dortmund expert conducted at the behest of Bonn buildings minister Dieter Haack gives a clear indication of just how many thousands of West Germans are regularly involved in real estate speculation. If the proven existing reserves in building land were actually used, Dieterich found, the Germans would not have to worry about a lack of land for 4 years.

The Dortmund study group which assayed more than 6,000 hectares of land concluded that almost one-tenth of developed land is either hardly built up or not built up at all. The researchers looked into one third of the land in Dortmund itself and found that almost 8 percent of the total or 1.8 million square meters was not built up.

In other parts of the FRG, such as in Saarbruecken, Neckarsulm or Wilhelmshaven, the figures were even more surprising. One eighth to one quarter of the land turned out to be unused; hidden in backyards or between valuable villas, more plainly visible in the outskirts of the towns.

Even in metropolitan shopping areas, such as along the Kurfuerstendamm in Berlin or the Hohe Strasse in Cologne, there are one-story structures hidden behind taller buildings or billboards although the building code would allow for three or four stories. The owners consider these lots as nothing but an investment.

Particularly in the big cities, this has serious consequences. The extremely high real estate prices have made it unprofitable to construct rental housing; in the free play of the market the most powerful always come out on top. In the downtown areas, banks, insurance companies and department stores dominate the uninspiring scene.

But the Dortmund group found the largest number of empty lots in those areas where the Germans like to live best of all: in the desirable residential areas and in the suburbs. Almost all property owners polled stated that their particular empty lot was suitable for a one-family home.

For that very reason, the owners are particularly adamant about holding on to their land. Many of them make a point of referring to the sizable increases in property value in the past.

These silent speculators do not seem to be unduly worried about the cost of waiting things out. Only some of those interviewed had as much as an inkling of what was involved, namely real estate taxes and annual fees. Most property owners, Dieterich and his team found, appeared never really to have noticed the small sums involved.

The Dortmund study also debunked the standard argument offered by the real estate lobby to explain the troubles of the real estate market. It is not urban planning or planning regulations that keep the owners from building, but their own hopes of a rise in value.

They also debunked the legend that says that the government and the non-profit building corporations are primarily responsible for driving prices up. In Dortmund and Saarbrucken, 80 to 90 percent of all empty lots found belonged to well-to-do citizens.

Meantime, the government has taken note of the fact that persuasion will not do the trick. "We must make a fresh start in our land policy," Haack's parliamentary state secretary Dietrich Sperling says.

Manfred Rommel, Stuttgart's CDU lord mayor, agrees. Rommel, the chairman of the mayors' conference, told Haack in early March that he would support efforts to pass a new federal building law, which would among other things put more teeth into the mandatory building provision.

Until now, property owners would go into lengthy litigation against their community, if they were asked to build on or sell their property and while case was pending prices of course kept rising. In the future, proposes, the property value should be frozen at the start of ii gation.

Haack also wants to withhold any gain a property owner might make on a government-mandated exchange or a merger of property.

By late May, when the Haack proposal will be up for discussion by the cabinet, finance minister Hans Matthoefer is to submit his ideas on how speculation could be controlled through taxation.

It would seem to be high time. Wolfgang Zeidler, the vice president of the constitutional court, has figured that the state has lost "several hundred billion Marks" since 1948 by giving tax breaks to property owners -- an amount which exceeds the national debt today.

9478 CSO: 3103

GOVERNMENT URGED TO ACT ON FOREIGN DEBT WHILE IT STILL HAS TIME

Stockholm SVENSKA DAGBLADET in Swedish 6 Mar 81 p 2

[Editorial]

[Text] It will soon have to come to an end! This is the Office of National Debt's pronouncement on government spending and the warning concerning Sweden's foreign debt.

The dynamics of this debt--which is due to deficits in the national budget and in the balance of trade--are frightening. At the turn of the year 1979/80, Sweden's foreign debt was 17 billion kronor. At the beginning of 1981, the debt already exceeded 40 billion kronor and today it is 47.9 billion.

We cannot reverse this trend immenidately, but must continue to borrow money abroad. However, the Office of National Debt--which is in constant touch with the international world of finance and knows what the traffic will bear--warns that Sweden is approaching the limit of its loan capacity unless the government shows it is resolutely prepared to deal with the economic crisis.

Sweden does not risk being cut off from the international capital market, but-according to the Office of National Debt's pronouncement--if we cannot maintain world confidence in our economic policy, we will no longer be able to finance our balance-of-trade deficit in an acceptable manner.

In other words, loan terms will deteriorate drastically if confidence in Sweden's government policies begins to fail and we are moving closer to this danger.

We still have a grace period. Sweden's international credit rating is still good. The respected journal "Euromoney" in its latest issue published alist of countries that had exploited the so-called syndicated loan market last year and Sweden was listed in fifth place (following Australia, Great Britain, France and Finland).

Sweden's balance-of-trade deficit last year constituted more than 4 percent of the gross national product. From an international point of view, this figure is high, if not unique. The disturbing element is not the amount of the deficit, but its structural character and its tendency to grow.

The balance-of-trade deficit is linked to a fundamental distortion in the Swedish economy. We consume considerably more than we produce. Sweden's total consumption

amounts to more than 80 percent of the GNP, a figure not surpassed by any other industrial nation.

Private consumption in Sweden constitutes a relatively small share of the GNP, but our public consumption surpasses by far that of all other nations. Public consumption, then, must be viewed as the villain in this drama.

It is against this background one should view the campaign which has been waged by Social Democrats and the unions against any attempt to save money within the public sector. LO Chairman Gunnar Nilsson's speech at a conference in Kalmar last Thursday was part of this campaign.

To be sure, Nilsson did not deny that some savings could be made, but he strongly warned that such cuts could have serious consequences. The public sector--in Gunnar Nilsson's opinion--is the engine in the Swedish economy. But this is just a new version of the Indian repartee. It ignores the tax burden's paralyzing effect on the private sector--and the effect of the balance of trade as well.

And Sweden's foreign debt continues to grow. The terrifying dynamics of this development is effectively illustrated by the fast frowing debt-payment quota, i.e., interest and amortization on foreign loans in percent of income from Sweden's exportation.

Last year the debt payment quota was 15 percent. This year it is estimated to be 20 percent and next year about 25 percent. The snow-ball effect is already fully visible.

8952

CSO: 3109/134

ECONOMIC

GOVERNMENT MEASURES TO AID FOREST RECOVERY

Stockholm SVENSKA DAGBIADET in Swedish 10 Mar 81 p 20

[Article by Hans L. Alfredsson]

[Text] The government will introduce two types of general aid to improve forest recovery and to utilize pulpwood. It is also suggested that forestry management come under government control.

The suggestion is included in a proposal which the government has now sent to Parliament. The proposal primarily deals with the partial reorganization of forestry management.

"It provides the chance to stimulate forestry and forestry management," said agricultural minister Anders Dahlgren. He suggests the two types of aid be adopted while waiting for the Forestry Relief Committee's proposal, which is expected later this year.

It is suggested that one form of aid in the amount of 35 million kronor be adopted to stimulate forest recovery in Norrland and that the other, 40 million kronor, be allotted to aid forest owners who clear pulpwood.

There are problems associated with the forest recovery in Norrland, the proposal points out. For that reason, Anders Dahlgren--and the government--feel that the state should provide "complete recovery measures," which would go into effect at the end of the lumbering season this fall.

It is suggested that the aid be limited to the inner zone of the forested area in question. It should constitute no more than 90 percent of the forest recovery cost in the area designated as most seriously in need. The aid should cover a maximum of 60 percent of the cost in the rest of the zone. The money should only be issued to private individuals.

"This aid," the agricultural minister points out, "should contribute to increased cutting and improved longer-term production.

Pulpwood Aid

According to the government proposal, the other form of aid would benefit all fores owners who cut pulpwood. This is considered important from the point of vie' of energy, among other things, as well as in preventing insects from ravaging the timber.

All together the government will grant 214.5 million kronor for forestry during the 1981/82 budget year.

The government also wants to put forestry management in the hands of regional government organs under the Department of Forestry. They would have approximately the same responsibility as do agricultural boards under the Department of Agriculture.

8952

CSO: 3109/134

ECONOMIC

FOREST OWNERS TO GET SPECIAL INVESTMENT INCENTIVE

Stockholm SVENSKA DAGBLADET in Swedich 10 Mar 81 p 20

[Article by Anders Nilsson]

[Text] Introduce an investment incentive whereby forest owners will be able to deduct for forestry and similar investments.

That will stimulate cutting and improve forestry.

This proposal was written by three forest owners in Adalen and is now in the hands of the Committee on Lumber.

"Our proposal is far different from other models which force the forest owner to cut. We are of the opinion that profits must determine cutting," said Olle Aslin, one of the three forest owners from Norrskog who Jeveloped the proposal.

The deduction would be in effect for 2 years. The forest owner who cuts 75 percent of the growth on his property is eligible for the deduction by clearing, fertilizing or thinning 1 percent of his acreage, for example. The maximum deduction is 15 kronor per cubic meter. A forest owner who cuts 210 cubic meters on his 100 hectare property is eligible to deduct 3,150 kronor. The three forest owners have also sent their proposal to Prime Minister Thorbjorn Falldin and Agricultural Minister Anders Dahlgren.

8952

CSO: 3109/134

POLITICAL.

INTERNATIONAL AFFAIRS

POLITICAL AWAKENING OF LAPPS IN NORWAY, SWEDEN, FINLAND SEEN

Stockholm SVENSKA DAGBLADET in Swedish 7 Mar 81 p 5

[Text] The world's primitive people have collectively been referred to as "the fourth world."

The Lapps have created news lately: in Norway, where a group of Lapps participated in the fight against the Alta-river development by staging a hunger strike in Oslo-which continued in Stockholm; and in Sweden, through an exten-ed judicial process in connection with reindeer grazing rights.

"Our Land is Our Life," the North American Indians' motto, has been adopted by the Lapps in Sweden. With that they want to say that their cultural identity is dependent upon reindeer grazing which, in turn, is dependent upon virgin wilderness.

The motto also underscores solidarity among the world's primitive people.

The Lapps feel threatened by the advancing industrial community and demand greater influence over the land they use. SVENSKA DAGBLADET investigates the Lapps' struggle--the fourth world to which we are tied.

Norway: Victory in Sight Even if Alta Is Lost

From tourist placards to political election posters—they all reflect the change in Norway's attitude toward the Lapps, which came about during the 70's and 80's.

The Alta matter has, indeed, helped put the Lapp issue on Norway's political agenda and the mass media have become enormously interested in the Lapps. Lapps are much closer to having their wishes fulfilled today than at any other time in modern Norwegian history.

Some 20,000 Lapps are spread throughout Norway. Lapps are a majority in only five municipalities in Finnmark county. Everywhere else they are a minority, struggling with minority problems: preserving their culture, language and profession. Since the war, attention has largely been focused on educational issues and the opportunity for instruction in the native Lapp language. Reindeer grazing has been a central issue, but no Lapp policy to speak of has been forthcoming.

In the last 100 years, Norwegian policy with respect to the Lapps has ranged from discrimination to a willingness to view the two groups of people as equal. The former approach led to a downgrading of the Lapps, the latter that they should be assimilated into the greater Norwegian society. From the Lapps' point of view, it may have been difficult to differentiate between the two. As late as in 1957, the school administration in one county in which the Lapps are in majority opposed the use of Lapp in its schools based on the premise that this was unnecessary and perhaps harmful.

In 1967 Lapp was introduced in Norwegian preparatory schools in Lapp districts and in 1978 came a new reindeer grazing law.

Government Promises

There is now earnest demand for a uniform policy toward the Lapps. This demand is well on its way to fulfillment. When Gro Harlem Brundtland's government came to power, it explained that it would greatly stress work on Lapp issues.

In a meeting with three leading Lapp organizations last week, Municipal Minister Harriet Andreassen submitted various proposals which to some degree accede to the Lapp organizations' wishes, with the exception of the Alta matter.

Two committees are presently working on Lapp issues in Norway: the Lapp Rights Committee and a Cultural Committee. Furthermore, the government has expressed its willingness to work to establish Lapps' rights by means of constitutional law and to establish a popularly elected Lapp organ. The latter, however, is meeting with considerable problems. Kare Willoch, the Conservative leader in Parliament, has already protested against the problems that would arise if ethnic origin were to be given special consideration in terms of voting rights and eligibility in a determinative organ. It is more likely that the government will try to establish a representative organ for the Lapp population.

Found Strength in Alta

The Lapp organizations' newly won strength in Norway is probably a direct result of the political disagreement about the Alta development. However, the Lapps' active role can be seen as a result of the development which came into being during the seventies, largely in the Nordic plain area and through international contacts at the World Conference of Primitive People. The establishment of the Nordic Lapp Institute in 1974 was also important.

But the Alta development has been the most important influence in Norway. The first development proposal involved a large dam which practically would have placed the entire Lapp settlement Masi under water. That was the reason for the strong Lapp opposition to the development, an opposition which remained in force even after the plans were drastically modified. The Alta development engaged people differently than ever before, which led to alliances between Lapp organizations and other lively groups within the Norwegian community. This broader agreement has become a political force which the parties must take into consideration.

In that way, even if the development were to be carried out according to the original plans, the Alta matter could help the Lapps as they attempt to straighten out most of what they now think is wrong in Norway's treatment of them. The Lapps, so to speak, can win peace even if they lose the war over the Alta development.

Finland: Without a Struggle

The last decade has been marked by greater consciousness and self-esteem as far as the Lapp minority in Finland is concerned. So far, there has been no major confrontation between the Lapps and the majority population.

This is perhaps primarily due to the fact that, even relatively speaking, the Lapp minority in Finland is considerably less than that in Sweden or Norway. There are only about 4,000 Lapps in Finland, of which 400 to 500 are Skolts, a separate minority with its own special characteristics.

The chances of promoting purely Lapp issues are limited because the Lapps are in the minority in practically all the counties in Lappland. Only in Utsjoki, the northernmost county which is also the Skolts' dwelling place, are Lapps a majority. Unlike the practice in Sweden and Norway, Lapps in Finland do not have the sole right to tend reindeer. Lapps themselves, only command a small number of the reindeer teams grazing in Lappland.

In the last few years, Lapp minority issues have gained more and more notice among Lapps as well as the majority population. Some steps have been taken to try to secure the Lapps' chances of continuing their traditional profession. But developments are working against the Lapps. Especially the growing tourism in Lappland is hurting their chances to tend reindeer, hunt and fish.

Up to now, land ownership has never been particularly important to Lapps; they have freely moved across the vast mountain areas. Over the years, others have become landowners and now we are trying to figure out who actually does own it. However, there is obviously no returning to the situation as it was during the 1600's and 1700's when the land was throught to belong to the Lapps.

The appearance of the Lapp delegation—"Lapp parliament"—during the first half of the seventies is one of the foremost expressions of the attempt to increasingly take the Lapps' own wishes into consideration. Every 4 years Lapps now elect their own parliament, which is made up of 20 persons and serves as an organ dealing with issues that concern the Lapps. This delegation can also initiate and promote its own interests. There are often differences of opinion in this body between "young liberals" and older, more conservative—oriented representatives. Voter participation has increased, reaching 60 to 70 percent in connection with the early Lapp delegation elections.

For many years now Lapps have been able to get instruction in their own native tongue in several schools in Lappland. Teachers are educated at the Uleaborg University. The local radio station in Lappland also features broadcasts in the native tongue and the possibility of adding more such broadcasts is presently under investigation.

Sweden: Judicial Fight

Swedish Lapps feel that the 1971 reindeer grazing law does not sufficiently protect the land they use. They have chosen to protect their interests through the legal process. In order to gain ownership of the land they consider theirs, they have been involved in the giant tax scale suit involving certain areas in Jamtland for 15 years.

They lost—but were able to note fundamental progress. The Supreme Court ruled that the Lapps—even though they are considered a nomadic people—according to Swedish law dating back to the 1600's, could actually gain ownership to the land they have been using.

This argument can be used in the future to change the reindeer grazing law, giving the Lapps more influence with respect to the use of land and water.

The right to land and water is the principle demand of all primitive people. It is through tending reindeer, open hunting and fishing that the Lapp nation can maintain its identity.

That is so, in spite of the fact that only a small number of Sweden's 17,000 Lapps devote themselves to tending reindeer, approximately 3,000 divided among 800 households. Between them they have more than 200,000 reindeer. The animals graze from Treriksroset in the north to Idre, a Lapp town in Kopparberg province, in the south.

The reindeer grazing law states that members of a Lapp town can raise reindeer. There are 44 Lapp towns in Sweden. Their organization is based on the ancient "siida principle"--locally autonomous communities with their own administrative and legal system. Besides tending reindeer, Lapp town members also have the right to hunt and fish.

The area in which Lapps keep their reindeer covers approximately 137,000 square kilometers. During the 1900's this area was reduced somewhat. According to the reindeer grazing law, the land is reserved for Lapps, but state authorities can decide that parcels of it serve the public interest; exceptions can then be made and grazing land expropriated, primarily in connection with industrial forestry, mining, water-power development, tourism, construction in densely populated areas, roads, railroads and airfields.

With the heavy immigration into Sweden and the growing demand for minority language aid, the Lapps' position has been strengthened. Instruction is now being given in Lapp and there are Lapp radio broadcasts as well.

Lapp children can attend public school in their home county or special Lapp schools. At present there are six elementary and intermediate Lapp schools and one high school.

Surviving the Ice Age?

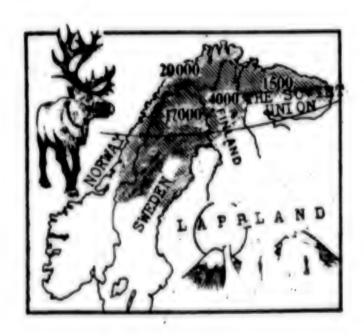
No one actually knows where the Lapps came from originally. There are many theories concerning possible immigration routes and dates. One theory has it that they descended from an extinct race, that they are a splinter group which survived the Ice Age in the far north.

No one knows for sure, only that the Lapps are a very old people. Their music, the "jojk," is the most ancient and primitive in Europe. It is memory art, a form of transmitting Lapp history in an oral tradition from generation to generation.

The Lapp language belongs to the Finno-Ugric language family, but it is divided into four dialects. North Lapp is the largest dialect and is spoken by 80 percent of the Lapps.

Lapps call their country Sami-Aednan. It extends across four different countries.

There has been a great exodus from Lappland in the last 10 years. Some 1,500 Lapps now live in the Stockholm area, for example.



8952 CSO: 3109/130

CITIZENS INITIATIVE LEADER ON GOALS, STRATEGY

Hamburg DIE ZEIT in German 27 Mar 81 p 2

[Report by Horst Bieber: "We Are Not Really All That Cunning"]

Text? "Common sense can be made to prevail without bringing ideology into it." Josef M. ("Jo") Leinen, managing executive member of the "Federal Union Citizens Initiative Environmental Control" (BBU), pronounces such phrases with such gay abandon that the observer begins to wonder whether he is dealing with a 33-year old Polyanna or with a con artist. What really happened with respect to the Brokdorf demonstration of 28 February--announced, banned, given the green light by the lower court and banned again by the appellate court--ultimately culminating in the arrival of 70,000 demonstrators in Wilstermarsch after all? "The confusion was certainly not planned--we are not really all that cunning."

Nor so harmless as Jo Leinen, the prototype of the clean-cut young man, would have us believe. In the almost 9 years of its existence the BBU has learned and tested many tactics and now manages, if not to make its aims prevail, at least to obtain the greatest possible publicity for them. The struggle to be taken seriously by parties and politicians has long been won. Now it is rather a matter not to be taken in or suffocated by the loving embraces of the parties. The top Green candidate elected to the Hessen Provincial Assembly confidently proclaimed in Frankfurt: "We Greens will put some pressure behind the citizens initiatives." Jo Leinen, on the other hand, described the Green success at the Hessen local elections as a "popular mandate" against the expansion of the airport and the nuclear reprocessing facility: We know one another and certainly cooperate with one another, but we insist on our independence. "The movement has become politicized," Leinen summed up the situation a week before the election, "but less than ever is there a concentration on any one party."

This statement, though, is subject to some reservations arising from the loose organization of the BBU. Some 1,050 citizens initiatives—able to mobilize about 300,000 members—have acceded to the union without, however, considering it a command headquarters. The outsider may observe a permanent to and fro in Karlsruhe, a constant coming and going: About 450 initiatives are concerned with traffic, 350 with energy; "chemicals" and "health" are the No 3 and 4 key issues; agreement happens more by osmosis than by vote. Such a large assembly of people will neither submit to a specific ideology nor allow itself to be dictated to in the matter of party preference.

They cannot even be induced to develop hostility to parties in general. The majority are still hoping for the possibility of reform, "have not opted out" and expect to be able to overcome "the lack of understanding between the parties and the citizens initiatives—and within the parties also." No doubt this majority is shrinking because—according to Leinen—the system is getting more rigid. "Everybody is convinced" that the system must "open up institutionally and in some way or other show more consideration for the wishes of the citizens, but revolution is not preached in Karlsruhe, and certainly not violence—at most civil disobedience."

Jo Leinen is apt to be "absolutely infuriated" whenever he or the BBU is associated with violent actions. That is one reason why he is less than enchanted with his notoriety since Brokdorf. "The BBU has never called for violence." Stoltenberg, he maintains, had produced a masterpiece of propaganda and was most annoyed when he was compelled to retract a hasty statement by way of the Kiel Land chancellery. "We have explicitly rejected violence" and far more than 90 percent of the demonstrators observed that command.

The BBU has no intention of foregoing future major demonstrations. Once, or at most twice, a year the public is to be shown that the debate, such as that about nuclear energy, is by no means concluded. In addition to many small actions which do not attract much publicity, it is obviously necessary to organize massive demonstrations and the ensuing arousal of solidarity among the marchers: "And on these occasions the newspapers get all worked up about the 'violence' instead of writing about nuclear energy."--"Still, they are going on with the construction work in Brokdorf."-- "They are as yet far removed from that situation where we no longer have a chance."

Where does a movement aim, which—as in matters nuclear energy—sees the prospect of an all-party coalition in the Bundestag? The phrase "to change from an environment—al control front to a general alternative front" is so glib as to be meaningless, and 2 years ego Jo Leinen admitted in the Berlin TAGESZEITUNG: "In fact neither the BBU nor the citizens initiatives really know which political course to adopt." Every question about the future of the initiative movement ends in the doubt whether explanations and factual debates alone will be enough to achieve that rethinking process for which the citizens initiatives militate—aside from the Florian principle they are all too often accused of ("Please St Florian, keep us safe and, if some—thing has to burn, set fire to the neighbor's house instead of ours").

Lawyer Jo Leinen does not offer any pat prescriptions. Possibly more publicity, though he shies away from the offer of being profiled: "Oh dear, I will be reprimended for that." Personality cults are anothema. For some years now the BBU quite deliberately refrained from having a chairman of the executive, appointing instead three "managing executive members." "However, I am not hiding," because "politics are represented by persons." In politics the strongest determines the rules of the game, and Leinen learned to appreciate this fact as a member of the SPD. He comments quite happily: "It is wrong unnecessarily to break off contacts," even with the parties one fights.

It needs a large amount of idealism and tenacity, knowledge and commitment to take a leading role in the initiative movement. Emotional youngsters and long-winded ambitious orators have even less of a chance here than in the parties. Or to put it another way: The prominent BBU representatives could also have had a successful

career in the established parties--if they had not at some time opted for a cause rather than for personal success.

In "that meaning" Jo Leinen is "almost"—as he himself notes modestly but gaily—a prime example. Born in the Saarland, a stone's throw from the French border, of a German-Lorraine family, he embraced the European ideal while still at school, attended international youth camps, studied international law in Bruges and international political science at the University of Connecticut. A seminar on nuclear energy organized by American consumer activist Ralph Nader "was a kind of spiritual awakening," leading in 1974 to commitment in the course of the debate on the lead works in Alsatian Marckolsheim and the Kaiserstuhl reactor in Wyhl: "Here solidarity transcended the border. Here Europe became a fact, not a theoretical abstraction."

Leinen, then member of a Bonn nonviolent action group, managed to transfer the Baden citizens initiatives to Bonn. A protest demonstration at the Federal Ministry for Research coincided with the Interior Minister's press conference on the peaceful use of nuclear energy. In spring 1975 then Research Minister Matthoefer accepted an invitation to debate the issue with opponents of nuclear power, "and thus began the public discussion." Leinen, then a junior attorney at the Koblenz Superior Provincial Court, had "accidentally brought" the protest "from the province to the capital." In December 1977 he was elected to the advisory council, in December 1979 to the three-man BBU executive, "and by now I am the senior member of the executive."

For how long? How long is it possible to commit one's time and energy to a movement which lives by the constant emergence of a new protest generation? In the coming weeks Leinen, now employed by an environmental institute in Stuttgart and resident in Kirchzerten, intends to apply for admission to the bar. The citizens initiatives are unable to supply lifetime jobs; they live off the gifts and sacrifices of their members. And their reward—at best—is the feeling "to have championed that which I consider right."

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POLITICAL

CP INTERNAL STRIFE REPORTED HEATING UP AS CONGRESS NEARS

Helsinki HUFVUDSTADSBLADET in Swedish 21 Feb 81 p 13

[Article by Erik Appel]

[Text] The communist field is rocking. There is a definite striving for unity and reconciliation now before the party congress of 22-24 May in Helsinki. But harsh tones are also heard, which may easily cause the Taistoite minority to unleash what it calls its "defense mechanism."

There is also speculation in all quarters about whether the process that is now under way out in the field will mature by the time of the congress. Perhaps the congress will take place too soon for the process to be able to have its full effect.

Reconciliation is on the way, but will it get there in time?

When Aarne Saarinen made it known a few weeks ago in KANSAN UUTISET that there would now be order on the premises, that the minority would be allowed to continue their walkout hereafter, it caused a lot of hiccupping.

The hard-liners within the majority phalanx thought that now at last they would settle with the Taistoites and, if worst came to worst, throw them out. They were disappointed when they learned that Saarinen did not mean it that way at all.

The Taistoites, on the other hand, were frightened at first. They believed the end had come, that now the majority would take over all the posts in the party organization and completely silence the opposition. To them it therefore came as a great relief when they found that this was not Saarinen's intention at all.

What Saarinen meant was that a situation and an atmosphere would be created in which, once a decision had been made, there would be no rebelling against it.

For neither Saarinen nor [Taisto] Sinisalo wants to have a repetition of the 1969 walkout.

That presupposes a rapprochement between the two sides--burying the hatchet, in fact. It can be assumed that Saarinen's move is based on hopes that are inspired by developments in the field.

They are beginning to be able to associate with each other there again. It is beginning to be realized that even the Communist Party can be pluralistic, that it

is possible to debate and to have differing views, but that in the end it is necessary to work out a common solution.

Not unexpectedly, it is the municipal elections of last fall, the poor results, and the Conservatives' great gains that constituted the alarm clock.

But how did the Communist Party get in the situation it is in today? Where are the roots and causes of the split to be sought?

Throughout History

Both sides agree that in many ways the split reflects the development within international communism. But it also has specifically Finnish features.

Really the communist movement has been split throughout its history into a harder and a softer line. That split is historically conditioned and goes back to the confused, dramatic, and sometimes bloody early history of the party.

The party arose in the fight against the Whites and was founded in Moscow as an extremely radical movement, with direct armed action and isolation from all participation in trade union work, cooperative action, etc., as its action model.

Attitudes softened under the influence of Otto Wille Kuusinen, but the party operated underground until the end of the war in 1944. That naturally contributed to keeping the radicalism and the inclination toward hard methods alive.

The KANSAN UUTISET columnist Kerttu Kauniskangas (Sign. Juorkunan Jussi) writes that the minority has remained in the underground stage, in the trenches, and there is probably something in that (although the Taistoites for their part say that Kerttu himself has stayed in his trenches).

Dogmatism vs. Flexibility

It is presumably wrong to draw a straight line from the radicalism and behavior of the early period to the harsher methods of today's Taistoites.

But in majority circles at least it is insisted that dogmatism, faithfulness to the letter, and fanaticism flourish more among the Taistoites than in the rest of the party. The Taistoites are heirs of the old Stalinists with Aimo Aaltonen at their head. The split is also reflected in the attitude toward theory. If we may believe the majority communists, there are on the one side the letter-true, inflexible dogmatists, and on the other side those who embrace a creative, flexible Marxism that considers the historic situation. Or, in Lenin's words, "Marxism is not a dogma, but a living doctrine."

Chost of the Historic Compromise

But according to the Taistoites there are times when it is necessary to hold fast to certain conclusions and theses, if the basic values of the labor movement are not to be lost. Everyday political compromises are a thing apart, but ideological compromises such, e.g., as the "historic compromise" that Arvo Aalto came up with would shake the party's foundations.

There are deviations from the ideological baseline that cannot be tolerated.

Thus there is still a difference in the attitude toward doctrinal purity, perhaps not an ideological gulf, but a gulf with regard to application of the doctrine in the historical present.

De-Stalinization and Counterreaction

What caused the oppositions to begin to rise again was the Twentieth Congress of the mother party, where Krushchev shook off the Stalinist past and unfrocked Stalin.

That came to affect all of international communism. It swerved "to the right," so-called revisionism raised its head, and in some quarters communism approached social democracy.

Eurocommunism saw the light of day and exerted a certain attraction on communism in the Nordic area as well. The Taistoites speak of "Hermanssonism" after the VPK [Left Party Communist] chairman Hermansson in Sweden, and set "the historic compromise" on a par with it.

This led in turn to a counterreaction which produced powerful tensions within the FKP [Finnish Communist Party]. At the party congress of 1966, when Aarne Saarinen and the young liberal ("revisionist") phalanx dramatically took over the rudder in the party, the dethroned chairman Aimo Aaltonen declared that the party was running the risk of falling into enemy hands.

Those were harsh words, and they gave the signal for a power struggle within the party that has gone on to this day.

Fraternal Hatred is Merciless

Today it is gradually being admitted on both sides that those were harder blows than were needed. The two sides dug in in the trenches, attitudes froze, and the leaders of both sides were, so to speak, prisoners of the situation.

Fraternal hatred is merciless.

Kerttu Kauniskangas tells in his book how friends could become enemies overnight, how they turned their backs on each other and would not even speak on each other.

As mentioned above, the split became acute in 1966, when Aimo Aal'onen and the old Stalinists were thrown out. Three years later the minority was ready to withdraw from the party congress. That happened in the Kulturhus in 1969, when the minority rose and marched to Koitto.

The definitive split was very close.

Parallel Organizations

The split was also reflected out in the field. The struggle for power in the districts grew hard. Today the minority is the majority in eight districts; the majority controls nine.

But both sides maintain parallel organizations in "the enemy's" camp.

The party was thus only a short step from a definitive split in 1969. The majority had tried to put the minority in its place, but failed. The Taistoites proved too strong.

Early in 1970 an extra party congress was called, at which the party patched itself together by means of something called a bilateral agreement (osapuolisopimus, osapuolijako), by which the split acquired a kind of official status.

This involves, among other things, sharing the places in the central committee and the party organization. In practice this is done by the districts' choosing their own representatives in the central committee--their decisions are merely confirmed by the congress--and the central committee's choosing the party leadership in turn (political committee). This selection is also agreed upon in advance between the two sides.

It is that practice that the majority communists now want to do away with.

This sort of agreement and activity is not in conformity with the party charter, they say.

To that, Taisto Sinisalo answers in his book that this exceptional procedure that the party congress has been allowed to resort to for the last two decades was decided on in accordance with the charter and resulted in an "adaptation of the charter to the prevailing situation."

Party Within the Party

Opinions of the extra party congress differ depending on which side one talks with.

Among the majority communists Aarne Saarinen is blamed for having given in to the Taistoites, approved the split, and given the mi.ority chances to rebel against majority decisions that do not suit them.

In minority circles the congress is seen as a step toward unity, toward an end of the "discrimination" against the Taistoites. On both sides it is said that the party could long since have been unified and reconciled, if only the other side had gone by the party's decision.

In practice the minority has functioned as a party within the party. At times this has taken outright ridiculous forms, as, e.g., in Helsinki delegates, where the minority has always felt that it should outweigh the majority, and where no proposal, no matter how good, could be accepted if it was advanced by the wrong person.

Personal Oppositions

It is obvious, however, that a softening of these attitudes is in progress. But the theoretical oppositions have inevitably been linked to persons, and that makes reconciliation considerably more difficult. The personal oppositions can lie for a long time and smoulder under the surface even though the theoretical requirements for a reconciliation are present.

The split has been reflected in declining election figures. In that respect the municipal elections last fall came as a shock, and it is confirmed by both sides

that this has contributed to the ever greater efforts toward unity and reconciliation that are now making themselves felt in the field.

But it is feared that the party congress is too close for that process to have time to work with its full force.

Intensification; the Intelligentsia Starts To Move

That trend makes itself felt in various ways. For one thing it is clear that a sharpening of the party's ideological and political attitudes is in progress. This development is observed with evident satisfaction among the minority, where for one thing it is hoped that the sharpening of the party profile will lead to a withdrawal from the government even before the party congress.

"That would solve a lot of problems and ease the path of the congress," they say.

In those quarters the activity in northern Finland, especially the Lappland district, is observed with satisfaction, but most especially the development among the young intellectuals.

When a few weeks ago the Tampere district organization organized a seminar for the intellectuals of the party, 200 to 300 participants were expected.

Eight hundred and fifty came, and all were agreed that the party's politics should be sharpened and turned toward the left, both majority and minority communists.

Decisive 'Primary Election'

The demand in the field (especially in the north) is also for an end to the so-called bipartite division and a return to "democratic centralism," which means among other things that decisions adopted by a majority shall be followed. Differences of opinion are permitted, but when the decision has been adopted it should be followed.

These demands have to do with the program of organizational policy, and it is here that the fight still gets hottest, although it is asserted on both sides that the political program is the most important.

For here it is persons and power that are at stake.

The outlook is still not altogether brilliant. Hopes are held for the clear trend toward unity that exists in the field. But will it have time to work? What will the representative assembly look like, and how "clubby" is the organization at the base?

Elections to the party congress will begin 15 March, and are quite decisive for the course of the congress. Hitherto care has been taken to have a double slate of candidates in the district, one for the majority and one for the minority.

Now it may happen that candidates arise outside of this clique-bound list.

These possible new candidates may have no great chances to win, but they are of importance as a symptom of what is going on in the field.

And they may also save the situation.

The representatives are elected by majority vote. That means that the side that gets the majority--no matter by how little--gets all the votes. Just as in the United States.

It is expected that the proportions will be 55-45 for the majority line.

Prior Agreement or Not

The interesting thing now is that the majority line has decided not to make any agreements with the Taistoites in advance. The situation will be open at the congress.

This has been agreed on in writing, and the Lappland district has also agreed to the decision, although in an earlier public statement--published in TIEDONANTAJA --it took a somewhat different line.

However that may be, Saarinen has now admonished that no prior agreements shall be made over the head of the party congress. There is a very strong demand for that in the field, it is said.

But this does not mean that the majority are prepared to determine, by means of their majority, who shall be on the party central committee. No, they wish to take account of the balance of forces and mean to do so--the minority, after all, has about 45 percent of the congress delegates.

What they are after is for the election to be held openly enough that each side will have a chance to say what it thinks about the other side's candidates and influence their selection. That applies mutually.

The idea back of this is to get a central committee and especially a party executive that can cooperate.

In majority circles they say:

"There is a definite readiness for reconciliation and unity in the field, but not in the leadership. The present party executive cannot cooperate as it should. There must be a certain weeding out."

Quite big changes are expected here just below the top (Saarinen, Sinisalo, Hünninen, Aalto). More women, a younger set. As for women, Anna-Liisa Hyvönen, assistant city manager, Helsinki, is now the only woman in the party executive. She is going out now, and in some quarters there is a fear that the executive may have no women at all.

There are many who feel called.

Threat Up Their Sleeve

On the minority side they are by no means so convinced of the need of such great renewal. Ability to cooperate or lack of it is not tied directly to persons, but to issues. If they are solved, the problem of cooperation will be solved at the same time.

First of all, the minority holds fast to the old model, that there shall be an agreement in advance on the distribution of posts and that the district shall determine whom it wants to be represented by.

The majority shall not get to come in and mess things up.

The Taistoites are also fairly convinced that there must be an agreement in advance. Otherwise pure anarchy may break out at the congress, they say.

"And we do not believe that it is entirely a matter of indifference to Aarne Saarinen whether he is elected unanimously or by a narrow majority. We have that little threat up our sleeve."

It can be seen from this that the Taistoites are in on Saarinen's reelection. If they have a choice between him and Arvo Aalto, there is no question whom they will vote for.

"There will never be a situation where Aalto will be chairman," the Taistoites say. "And there is no third line."

But since the Taistoites support the principle that it is the district that should choose the person independently, they naturally also swallow Arvo Aalto as member of the central committee and as secretary general, even though they like to bring up an interesting incident from the president's last visit to the Soviet Union.

When it was reported during his first days in Moscow that the communists wanted to pull Aalto out of the government so that he could devote himself to his secretary general's post and make preparations for the party congress, the Soviet party organ PRAVDA published a long interview with former secretary general Erkki Kivimäki.

A hint of what they think of the secretary general question and of Aalto, the Taistoites think.

Collision Course

An idea that is being advanced by the majority is that the number of members of the party executive should be reduced from the present 15 to only 11.

That way some of the persons who interfere with the capacity for cooperation (including Markus Kainulainen, the Uusimaa district secretary) could be weeded out. At the same time the executive would become less cumbersome. It is too big now.

It does not appear very probable that there will be peace and reconciliation and cordial embraces at the Communist Party congress in the spring.

That there will be some sort of "revolution," with the rank and file suddenly overthrowing the present leadership and throwing out the "fighting cocks" is still less likely.

Lars D. Eriksson's thoughts on this matter are characterized by both sides as entirely unrealistic.

Both Saarinen and Sinisalo will remain. But there may be rough going, for right now the two sides are on a collision course in election and organizational questions.

TIEDONANTAJA and KANSAN UUTISET

A question that has long been on the waiting list and that is a measure of the seriousness of the reconciliation efforts is that of the two main organs, TIEDONANTAJA and KANSAN UUTISET.

The two are, so to speak, a signboard advertising the split. Shall it be taken down? and how? Taking it down has always been on the agenda, but so far nothing has happened.

Here, again, opinions differ. Aarne Saarinen, the party chairman, proposed at the last party congress that TIEDONANTAJA be the organ of the party and of the central committee, but that was interpreted in Taistoite quarters as an effort to gag them.

The minority wants to keep its own mouthpiece, and recommends a solution with Kansan Uutiset as party organ, which would leave the Finnish People's Democratic League without an organ of its own.

Are we right in guessing that there will hardly be any solution to this problem this time, either?

Unless TIEDONANTAJA's economic problems force a solution. In any case the minority are ready to begin stepping down a little and to soften up TIEDONANTAJA's profile to prepare the way for reconciliation.

The Party Leadership

The majority has a 9-5 advantage in the party executive, which, by the way, consists of practically nothing but party employees. There have been protests about this in the field.

Majority line: Aarne Saarinen, party chairman; Arvo Aalto, secretary general, minister [of labor]; Olavi Hanninen, vice chairman of the party and second vice chairman of the FFC [Central Federation of Labor Unions] Oiva Bjorkbacka, information chief Anna-Liisa Hyvönen, assistant city manager [of Helsinki]; Erkki Kauppila, editor in chief of KANSAN UUTISET; Erkki Kivimäki, organizational secretary, former secretary general; Olavi Poikolainen, secretary for international affairs; and Erkki Rautee, training secretary.

Minority line: Taisto Sinisalo, vice chairman of the party; Urho Jokinen, editor in chief of TIEDONANTAJA; Markus Kainulainen, secretary for the Uumisaa district; Oiva Lehti, CK employee; Seppo Toiviainen, rdgm [member of parliament], town councillor; and Hannu Vuori, functionary in the trade union sector.

The party's having two vice chairmen is not in accordance with its charter. The second vice chairman's post (Hänninen's) was added "for the sake of balance."

8815

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POLITICAL FINLAND

CONSERVATIVE, MARXIST DEBATE STANCE TOWARD USSR IN BOOK

Stockholm SVENSKA DAGBLADET in Swedish 10 Mar 81 p 8

[Article by Goran Schildt]

[Text] The book THE SUBJECT IS FINLAND—PUHE ON SUOMESTA—is a conversation between Conservative Johannes Salminen and Marxist Antti Eskola. The dialogue centers around Marxism in theory and practice, Finland's exposed situation and its cultural life, which is far less uniform than that of Sweden.

The Finnish publishing house Tanmi has launched a book series which features a letter dialogue between representatives of different points of view, social class and traditional roots. That part of the series which was published last fall under the title PUHE ON SUOMESTA (THE SUBJECT IS FINLAND) written by Johannes Salminen and Antti Eskola, has aroused much attention. The reason this book is unusually interesting is not only the burning questions it deals with—Finland's sensitive relationship with the Soviet Union and the western world, the national identity's roots in historical and cultural traditions and today's new challenges—but also the carefully weighed differences and likenesses between the parties.

Opposite poles are apparent in almost all areas. Salminen is not only Finno-Swedish, but also purely provincial with a farming background. His conservative disposition has made him a Catholic and his historical interests often lure him on pilgrimages to classically cultured countries.

Eskola is an inland Finn with a proletarian background and stated connection with the implacable minority within the Communist Party in Finland. His pilgrimages are made to the Soviet Union and he is less interested in the past than in the dreamed-of future state. Both present their divergent opinions without circumlocution, Salminen his liberal individualism and Eskola his Marxist-Leninist class-struggle ideology.

The most important common bond between them is their academic background: both are used to the give and take of an argument. Salminen is literary chief for a Finno-Swedish book publishing house and, above all, one of the country's most exciting essay writers, specializing in the ideology of cultural traditions. Eskola is professor of social psychology at Tammerfors University and has captured the sympathetic interest of the nonsocialist public's liberal-minded with his unconventional

books filled with ideas on different social problems. Both are without the burdens imposed on professional politicians in the form of compromise and tactical considerations. We sojourn with them in the pure world of ideas, where one is also at liberty to criticize the deeds of like-minded friends.

With that we have come to the two combatants' other likeness, their pronounced moralism. Salminen with his books on the nonsocialists' double morals and the treachery of a Western nation has angered many good citizens to the degree that they have accused him of dangerously flirting with the left. In reality he has only demanded that nonsocialists and the West live as they teach, i.e. implement the high moral principles which so often have been used to protect senseless class oppression and colonial extortion. Those who do not understand where his loyalty really lies should be calmed by his rejoinders to Eskola.

Here he expresses a deep distrust for the thesis, established by Hegel and put into effect by Marx, concerning the collective's necessary dominance over individual landlords. As far as he is concerned, this ordering system is the basic reason for the series of shocking abuses of power and senseless sacrifices which started with the practical application of Marxism in suppressing the Kronstadt rebeilion, continued with the liquidation of the kulaks and later led to the intervention in Hungary and Czechoslovakia as well as the move into Afghanistan. Eskola does not respond directly to this argument, although he generally admits that the Marxist practice has been far from inculpable.

The two combatants meet in an unexpected manner in the moral argumentation. It happens in the first section of the book which deals with civilian courage. With that they mean the courage of private individuals to stand up and defend their convictions, even when it is inopportune or outright dangerous. Both are concerned about the new immorality or rather the cynicism which followed the passive Kekkonen policy.

According to that policy, Finns should completely subordinate their emotions and opinions for the good of the State, i.e. take their eastern neighbor into consideration and buy his good will or tolerance, at any rate, by not provoking or, even worse, threatening him. According to both Salminen and Eskola, such Maciliavellianism is dangerous, partly because it deprives Finland of international respect due to the many cowardly official positions the country has taken with respect to international conflicts and partly because it affects the private person's manner of responding so that he comes to lack in character as an individual as well.

On closer examination, however, the civilian courage which both endorse proves to be somewhat different. Salminen thinks all divergent opinions are useful and is just as willing to honor a communist opinion like that of Maiju Lassila as that of an extreme environmental giant like the disputed woodsman and ideological fanatic Pentti Linkola. Eskola, on the other hand, only values civilian courage that has the "right" ideological base and is supported by the "true" will of the people.

The chapter which deals with Finland's ties to Russia is a very interesting one. Salminen points out that since the early 1800's Finland has learned how to manage its relations with the East. While Poland was rebellious and therefore suppressed, Finland showed exemplary subservience which allowed us to enjoy a unique, almost unbelievable, position under the Russian grand duchy as well as during the more reactionary days under the tsars.

This relationship, which incidentally was broken during the dangerous decades between the wars, has now been restored. Militarily and politically the relationship has been resotred to what it was in 1809, which is vitally important. At the same time, however, Pinland's autonomy has remained relatively stable. Indeed, the paradox is that the Soviet Union could very well tolerate a capitalist Finland within its sphere of influence and, in many ways, actually benefit from the relationship. As far as both countries are concerned, there is absolutely no problem with the contact between Russian bureaucrats and Finnish industrial bosses or between Soviet statesmen and Finland's parliamentary leaders. On the other hand, the Soviet Union could not tolerate an autonomous communist Finland at its side, a country which like Yugoslavia, Czechoslovakia and Poland would pursue its own form of Marxism. It would be even less tolerable if Finland managed to implement the kind of humanistic communism of which some Finnish idealists dream.

These truths are too bitter for Eskola to deal with directly, but he responds indirectly with other arguments. One concerns the question of revolution, which, to Eskola's displeasure, the communist majority and party leader Saarinen admit is not of current interest. Instead, he talks about the people of stubborn patience who must silently await the opportune situation. That day will come, he feels, when the Soviet Union, due to international conflict, will demand that Finland honor the Friendship and Aid Pact, which allows Soviet troops to be stationed in Finland. That will "also change domestic policy," allowing the Communists to take power. Communists in Finland must lie low while they wait for this situation. Eskola describes his fellow believers as a persecuted and misunderstood minority and is actually convinced of how bitter the isolation can be and how necessary it is to feel the warmth of the inner unity.

It is quite depressing to read Eskola's comments about Finland's identity. He holds the opinion that the concept of Finland is altogether "something artificial, something that was established by the citizens in 1918 and considered their property." For his part, Eskola is not very attached to this abstract Finland, but rather to the province of Tavastland and its people. They are close to him and make him feel homesick. It is obviously unimportant to him whether the framework of greater Finland as we know it today is exchanged for the even greater framework of the united U.S.S.R. republics. He points out that his mother, who in the interim period between wars slaved with domestic animals and the meager fields on a small Tavastland croft, would surely have had it easier if she had lived on a collective farm. He wonders if the identity crisis Salminen talks about is only a problem for the new insecure middle class, while workers maintain their steel-like self-esteem and by no means doubt who they are.

Salminen's response to the identity question can be found in the beginning of the book, where he talks about the Finn's insecure wavering between the individualism of an uncivilized woodsman and the patient submission to foreign masters. He is interested in the ongoing civilizing process furthered by Runeberg's effort to strengthen the Finn's wavering self-esteen, making him aware of his own worth. This effort was strangely counteracted by a multitude of later authors, who almost spitefully contradicted Runeberg, emphasizing the Finn's negative and uncivilized characteristics. These authors include Kianto, Lassila, Lehtonen and Salama. It was particularly important that Linna picked up Runeberg's thread so as to allow the Finns once more to trust their own worth.

Salminen's thoughts on civilization are far from Finland-centered. On the contrary, he complains that subservient caution kept Finland's artists from taking advantage of the revolutionary artistic avant-gardism which blossomed in Russia during the first two decades of the century and he warns against the continued drake-mentality among Finland's cultural workers. But, in spite of everything, he feels positive about the relative variety of cultural impulses that prevail within our borders. Thanks to it, Finland's intellectual life has a beneficial openness. As far as Salminen is concerned, Norway is the real cultural province and, like Sweden, too undirected to be able to create exciting culture.

Finland's strength can be found in oppositions which, (according to liberal principles), enrich each other: here we have Finns and Finno-Swedes, nonsocialists and Communists, Lutherans and members of the Orthodox Church, Karelians as well as people from Osterbottn and Aland. Quite a complex mixture, from which occasionally rises stimulating fragrance, like Salminen and Eskola's small, but idea-filled book.

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CSO: 3109/130

POLITICAL SWEDEN

PRESSURE ON AID RECIPIENT VIETNAM TO GRANT EXIT PERMITS ASKED

Stockholm SVENSKA DAGBLADET in Swedish 20 Mar 81 p 2

[Text] Social Minister Karin Soder has been in Vietnam to initiate some aid projects there. At the same time, the scandal-ridden factory in Bai Bang is now producing the first rolls of paper, though of disputed quality. Swedish money ought to do some good at last.

However, Vietnamese hosts are not being very polite when they refuse to release 600 citizens to whom Sweden has offered refuge from the Communist oppression in Vietnam. So far, only 17 have been able to leave.

Karin Soder's on-the-spot lame protest indicates that the Swedish government does not properly value the situation of these endangered human beings. It is no accident they are forced to live as prisoners in their own land. Letter censorship, the bribe system and the bureaucracy are all direct results of the communist view of human life: people belong to the state in the Soviet Union, East Germany and Vietnam. Of course, the Helsinki Agreement's stipulation of a free flow across the borders cannot be met under these circumstances.

There are no free elections in Vietnam. Instead, people vote with their feet.

But Sweden's Vietnam policy does not seem to change, except for a suggested freeze on billions in aid at a nominally unchanged level in the latest budget proposal. Recent statements by aid administrators and politicians predict costly and prolonged efforts to make the aid project work.

In this situation, the Swedish government should be able to use the aid to put greater pressure on the Hanoi regime with the aim of freeing the people who want to leave Vietnam. It is not an internal matter that thousands of Vietnamese who want to be reunited with families in other countries be allowed to do so--it is a matter of humanity across the borders. Sweden, which at least in liberal circles is depicted as Vietnam's true friend in an aggressive world, should be able to exert pressure on behalf of the international community of justice. Friends are supposed to tell you the truth...

Vietnam has suffered a great deal from the war. Rebuilding should be done in part with Swedish money.

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CSO: 3109/136

MILITARY

NEW GROUND FORCES ARMORED RECONNAISSANCE VEHICLE CONSIDERED

Paris' LE MONDE in French 20 Mar 81 p 12

[Text] In addition to the P-4 light armored cross-country vehicle designed by the Peugeot-Mercedes group that it has decided to acquire (LE MONDE, 4 March), the French Army staff envisions equipping itself with an armored reconnaissance vehicle provided with protection against nuclear, biological and chemical weapons. This announcement was made by Robert Galley, defense minister, in his reply to a written question from Michel Aurillac, the RPR [Rally for the Republic] deputy from Indre and his party's national defense delegate.

Mr Aurillac was worried because none of the light armored cross-country vehicles presented for the Army to choose from had been provided with protection against NBC (nuclear, bacteriological and chemical) aggression, even though that vehicle was to be used to equip the so-called scouting squadrons of the armored divisions of the First Army, which would be engaged if the need arose in Europe against an opponent equipped with nuclear, biological or chemical weaponry. In his written question to the defense minister, the RPR deputy concluded that a light armored vehicle having the advantage of such protection would be better adapted.

In his reply, which was published in the JOURNAL OFFICIEL of Monday 2 March, Mr Galley explained that the French Army's present Jeeps are fulfilling many war missions (signals and command, notably) for which a light armored, fast, cross-country vehicle such as the P-4 of Peugeot-Mercedes will be, has no need of special protection. On the other hand, the defense minister notes, "where light armored vehicles of combat units, reconnaissance and scouting are concerned, the Army staff envisions equipping itself with a light armored vehicle provided with NBC protection. There is a study in progress on this subject."

Last year Gen Jean Lagarde, then the Army chief of staff, demonstrated the need for such a vehicle, which would be useful to the scouting squadrons of the reconnaissance divisions and groups of the Army Corps. This involves a vehicle as mobile as the present Jeep, but lighter, smaller and above all less expensive than the VAB (armored reconnaissance vehicle).

In fact, the mission of the so-called scouting or reconnaissance elements is to allow the adversary to pass it, to become integrated into the enemy force. This mission requires adapted means that are less heavy than the VAB, but are sufficiently protected to withstand the first shock, NBC aggressions and immediate bursts of the battlefield. In the French arsenal, the vehicle under consideration in staff head-quarters would accompany the personnel placed at the front of the armored corps of AMX-30 tanks.

In the United States and the Soviet Union these scouting and reconnaissance missions are entrusted to caterpillar tanks with--in the Soviet forces--motorcycle units which one might think would be sacrificed in case of a conflict.

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MILITARY FRANCE

BRIEFS

ARMED FORCES PROMOTIONS, ASSIGNMENTS—As proposed by Robert Galley, the defense minister, the Council of Ministers on Wednesday 18 March approved the following promotions and assignments: Ground. Appointed: to artillery inspector, Maj Gen Andre Faverdin; deputy to the commanding general of the Second Army Corps and the French Forces in the Federal Republic of Germany, Brigadier Eugene Danet. Placed on detached service with the prime minister to serve in the general secretariat of national defense (SGDN), Brigadier Jehan—Rene Poudelet. Air. Promoted to air commodore, Cols Yvan Malagane (assigned to command the "air" elements in the Federal Republic of Germany), Jean—Michel Sabatey (appointed deputy to the central director for Air Force materiel) and Henri de Cointet de Fillain (placed on detached service to the general secretariat of national defense). [Text] [Paris LE MONDE in French 20 Mar 81 p 12] 8946

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